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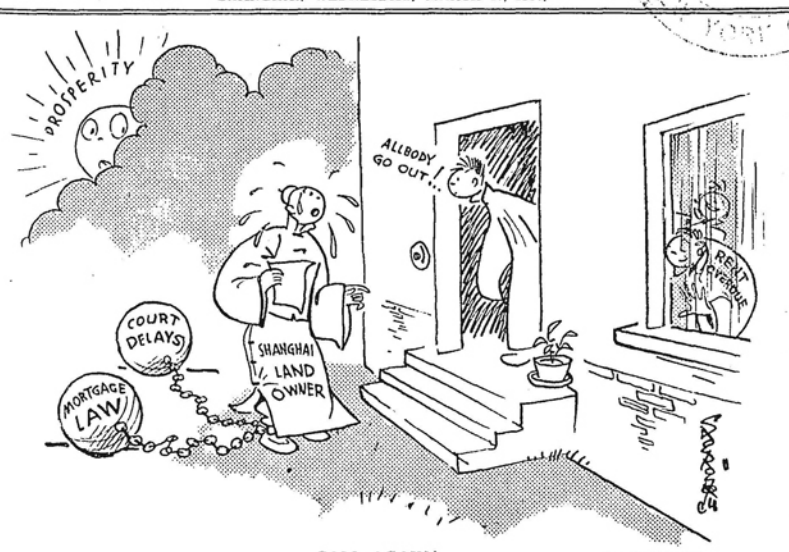

CALL AGAIN! By SAPAJOU

IRISH SERVICES

Not merely courtesy to his hosts but the exact requirements of accurate apportionment of credit where credit is due may be said to have inspired Sir John Brenan's happy tribute to the services of distinguished Irishmen overseas in administrative capacities of high importance. Nor has this quality been exclusively at the disposal of the British Empire as the records of Irishmen in China show. On that point Sir John Brenan's special reference to Sir Frederick Maze will be greatly appreciated. Sir Frederick's countrymen and fellow-subjects of His Majesty the King have every reason to be proud of the manner in which the Inspector-General of the Chinese Maritime Customs has upheld the traditions of public service in conditions of extreme difficulty. His unswerving fidelity to the interests of China and to the policies of the Government under which he holds his many-sided office has been marked by courage and tact of a high order. It has fortunately found response in the trust and confidence imposed in him by successive Finance Ministers who will certainly be gratified to note that the British Government's official representative here, on the eve of transfer to the inner counsels of Whitehall, has so cordially drawn public attention to Sir Frederick Maze's achievements.

CHINA'S ELECTRIC SUPPLY

The decision of the British Government to carry out certain recommendations in the MacGowan Report on the electricity supply in the United Kingdom calls to mind the fact that in China the co-ordination and improvement of electricity supply is in the hands of both the National Construction Commission and of the Ministry of Industries in that all purchases of equipment for use in the production of electricity must have the prior approval, so far as technical matters are concerned, of the Public Utility Regulation Board of the National Construction Commission. However, this Board has no powers of control other than in technical matters and acts in an advisory capacity to the Reconstruction Departments of the various Provincial Governments. These Reconstruction Departments are under the supervision of the Ministry of Industries. Franchises for public utilities including electricity supply are determined by the Reconstruction Departments of the various provinces. This satisfactory organization is believed to be working well and those qualified to judge consider that the Chinese Government is to be congratulated on a most effective administrative reform.

OLD BRITISH CONSULATES

Sir John Brenan's tenure of the post of H.B.M. Consul-General in Shanghai will terminate within less than six years of the centenary of that office. Sir John is the fourteenth holder of the post which was created in 1843 with the appointment of Captain (afterwards Sir) George Balfour. It was raised to a Consulate-General in 1877 when Sir Daniel Robertson who had been Consul from 1854 to 1858, coming in between Sir Rutherford Alcock and Sir Harry Parkes, was reappointed to Shanghai but, according to the record, "did not proceed". So actually Sir John Brenan is fifteenth in the line. The British Consulates in China are not the oldest in the service; that privilege, judging from the Foreign Office List, belongs to Cairo, where Santo Seghezzio, who died on Jan. 4, 1638 was "consular-agent," although the next substantive appointment there was not made apparently until 1830. Madeira has a better claim to priority for John Cartre, appointed there in 1658, was duly followed by eleven successors carrying the record to 1771 when unless Charles Murray served for 31 years before Joseph Pringle took office in 1802 there seems to have been a hiatus. It should be noted, however, that Henry Veitch who succeeded Pringle at Maderia served from 1809 to 1835. Other British consulates dating from the 18th century are Salonika, 1724, Genoa, 1726, Basra, 1728, Trieste, 1774, Philadelphia 1785, Cadiz 1790, Izmir 1793, New York, 1793, Baghdad 1798 and Aleppo 1799.

CIVIL SERVICE IN CHINA

Plans for developing a permanent civil service in China have yet to find full adoption and it is recognized there are many difficulties to be overcome before that important step for reform of the administration can be definitely taken. Nevertheless the principles which it involves are being neglected. Mr. Wang Ching-wei, when he was President of the Executive Yuan set his face against the change of the permanent personnel as a necessary accompaniment of changes in ministerial office. General Chiang Kai-shek, with those views this reform was in complete accord, followed the same course on his assumption of the Presidency of the Yuan. Similarly Mr. Wang Ching-wei's successor at the Foreign Office, General Chang Chun left the permanent staff undisturbed and, it is satisfactory to learn, Dr. Wang Chung-hui is working in the same sound direction in taking over charge of the Ministry of Foreign Affairs from General Chang Chun. It is understood that recent changes in the tenure of other portfolios have been attended by a like regard for civil service traditions.

PUBLIC CONVENIENCE

The report of the decision which the House of Lords has given in reversal of the Court Appeal's judgment on what is known as the "gold clause" case discloses a judicial attitude which has some interest in China. Lord Atkin, in announcing the decision, explained that he and his colleagues would issue their considered judgment later but that they were revealing their conclusions at once because they understood that the bonds concerned in the case or some of them at any rate were falling due at an early date. It will be perceived that their Lordships were thus showing an alert appreciation of public convenience and were not disposed to consider that the mere settlement of the legal issues in dispute was the sole concern of judicial procedure. They clearly recognized that the machinery of the law had a direct relation with the everyday transactions in commerce and finance and should, as far as practicable, be made to act in co-operation with the other institutions of the land. The point deserves emphasis for too often in this country the principles which it embodies are overlooked.

AIR MAIL DELAYS

Without dogmatizing on the justification of the complaints regarding the delay in the transmission of air mails from Shanghai to Europe, it may be permissible to point out certain conditions of which notice should be taken. The absence of a direct air-mail route introduces, particularly when the service is in its infancy, certain factors which are bound to give cause for delay. The air-letter has to go first from Shanghai to Canton, whence it catches another line either through Hongkong-Penang or through Hanoi. It must be recognized therefore that, once a connection has been missed, the margin between the time theoretically calculated to cover transmission from Shanghai to Europe and the time taken by the land-route via Siberia is likely to be eliminated. Indeed it is probable that the land-route will prove more expeditious, although there too, in recent weeks, delays have occurred. Generally it may be said that the airmail from England is more often than not behind the mail sent across the railway to Siberia, but if connections are caught without delay there is a definite saving of time which is of real value. As experience develops the air-mail may be found to compete more successfully with the older mode of transmission. Just now, correspondents should recognise that the air-mail is a speculative choice as a letter-carrier and considerable tolerance has to be shown in assessing its results for Shanghai. Places which are fortunate enough to be on direct air-routes, such as Singapore and Hongkong, have established the superiority of the air-mail in expedition without doubt. The same condition will obtain here when timings have been better co-ordinated and the speed of the air-liners further increased.

SHIPPING ACTIVITY

Tuned to the happy note that the renewal of activity in the shipbuilding world is likely to be maintained, the summary of shipbuilding last year compiled by Lloyd's Register of Shipping tells of the great improvement registered during the year. One less than a thousand ships were launched representing a total tonnage of 2,117,924, and although this appears small in comparison with the boom years of 1918-20 when the tonnage ranged betwen 5,000,000 and 7,000,000 yet it is the highest total since 1930 and is an increase of 815,000 tons on 1935. Interesting facts regarding the types launched are given reference in the summary. The steam tonnage was 416 vessels totalling 877,000 tons and of this 300,000 tons comprised steamers fitted for burning oil fuel under the boilers. During the year, 530 vessels totalling 1,202,000 tons were launched with internal combustion engines. This showed an increase of 200,000 tons on the previous year. Another fact of interest is that of the largest vessels launched during the year one was a twin screw turbine steamer Oceades, 23,000 tons, built in Great Britain, and two were whale oil factories, one the Terge Viken, 20,000 tons, built in Germany and the Nisshin Maru, 16,700 tons, built in Japan. Epitomising the improved state of the shipbuilding industry, the report states that the tonnage under construction at the end of last December was the highest recorded for the last six years. "In view of the fact that the amount of tonnage laid down during 1936 exceeded by 622,000 tons that launched during the year and taking into account the substantial volume of tonnage for which orders have been placed in recent months, there is good reason to anticipate that the renewal of activity in the shipbuilding industry throughout the world is likely to be maintained in the immediate future," Lloyd's state.

REDUCED VISAS

The news, that by mutual agreement visa fees for British subjects and American citizens visiting the territories of the respective nations will pay reduced visa fees as from April 1, will be welcomed by those who have looked with disapproval upon the high charges which have prevailed in the past. A British subject had to pay U.S.$10 for on American visa, and American £2 for a British, though in addition the former was called upon to pay a head tax of U.S.$8. This latter was, however, returnable if the visitor were merely passing through the United States in transit, and left the country within a certain number of days. That does not appear to be affected by this new agreement, and indeed amounts to no particular hardship where a person is merely travelling across America. There is, of course, a number of countries which by mutual agreement make no charge for visas. This would seem to be the ideal to be aimed at, though in other cases, in which the fees charged are purely nominal, almost the same result is attained. It does not now seem at all likely that the freedom of travel, which was possible some years ago when passports and visas were not so necessary as they have since been made, will ever be restored. There are many who wish that this might be brought about, but opposed to their desires is the fact the visa system, however perfect or imperfect it may be,, does enable the various nations to keep some sort of a check upon those who cross their borders. As a rule the inspection of visas, etc., is carried out with such celerity that there is very little reason to complain, though there are still instances where national policy or the officiousness of the individual still gives rise to irritating inconvenience.

RATE DEFAULT

The Shanghai Municipal Council, finding its patience exhausted, has been impelled to use pressure to bring the defaulting ratepayers in a certain limited area to a sense of their responsibility. The non-payment of rates is an anti-social act which prejudices the body of ratepayers and damages their interests. It is to be hoped that the attention which has now been drawn to the default will have the desired result. The issue is clear-cut; these properties on the outside roads have been assessed for payment of rates in return for the services and amenities supplied by the Municipal Council. Refusal to fulfil this obligation comes within the same category as any other evasion of payment for services rendered. Quite irrelevant is the circumstance that the question of jurisdiction in what is known as the outside roads area is under discussion between the authorities concerned. Everyone regrets that the praiseworthy efforts made by the Council and the City Government of Shanghai to come to an agreement on that issue have so far eluded success, but that does not affect the indebtedness of these defaulting ratepayers who are certainly not charged with the duty of solving the major problem of the outside roads by direct action. Consideration of that problem has its proper place in public attention, but it in no way should be linked with what is nothing more nor less than the failure to meet obligations duly accepted by occupancy of property with which the Council as the governing authority has provided certain public services at the expense of the community. Mr. O. K. Yui has shown his appreciation of this distinction by advising the recalcitrants to pay the dues and yet upholding his Government's view of the general but—as already stated—irrelevant question of the jurisdiction on the outside roads.

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CHINESE POLITICS

FOREIGN MINISTER VIEWS CHINA'S POLICY

Integrity of Territorial and Sovereign Rights at Basis of Relations with Powers

Nanking, Mar. 8.

A STRONG plea for international co-operation, in order to attain world prosperity and international peace, was made by Dr. Wang Chung-hui, the famous jurist and diplomat, in an interview to-day shortly after his assumption of office as Minister of Foreign Affairs.

The plea followed a brief outline of the fundamental principles of China's foreign policy which, he declared, were the maintenance of the integrity of China's territorial and sovereign rights and the conduct of international relations on a basis of equality and reciprocity.

"Under the guidance of these principles," Dr. Wang said, "all possible efforts will be made, in an atmosphere of peace, to further international comity and friendship.

"Political understandings and economic co-operation, if they are to serve as a means of consolidating relations between nations, must be based on a principle of mutual benefit. Such has been the fixed policy of the Chinese Government, which is in harmony with rational diplomacy."

The Foreign Minister declared that, with their interests closely intertwined, nations in this modern world were living in far greater interdependence than ever before.

"It is only through mutual co-operation," he emphasized, "that world prosperity can be attained and international peace assured.

Mutual Benefit Prerequisite

"Since international co-operation, in the last analysis, depends on friendly feelings between peoples, it is of the greatest importance that anything which may militate against such friendly feelings should be removed or prevented, for all forms of international co-operation presuppose a desire on the part of the peoples concerned to work together for mutual benefit.

"Such a desire is born when a spirit of goodwill and cordiality exists between them. Only in this way will any effort for international co-operation be crowned with success."

Dr. Wang declared that in accepting the portfolio of foreign affairs, he was fully conscious of the heavy responsibility attached to it.

"Guided by the fixed policy of the Government and the principles of international justice," he added, "I shall endeavour, in strict accordance with diplomatic usage, to secure a realization of the aspirations of the Chinese Government and the development, through international co-operation, of the relations between China and foreign powers to the benefit of all concerned."—Reuter.

Tokyo Reticent

Tokyo, Mar. 9.

While Gaimusho officials to-day declined to comment formally on the statement of policies made by Mr. Wang Chung-hui, China's new Foreign Minister, "off the record" they described the statement as "too vague."

They were quick, however, to find similarities between the view expressed by Mr. Wang and Mr. Naotake Sato, who assumed the Foreign Affairs portfolio here on March 3.

"The main problem now," an official told Domei informally, "is to translate the generalities voiced by the two Ministers into concrete forms. If proper care is not taken, their statements might remain mere diplomatic gestures."

Other officials believed that the statements made by the two Ministers created an atmosphere conducive to the establishment of long-sought political or economic co-operation.

They, however, emphasized that China's insistence on the abolition of the East Hopei Autonomous Government and the Hopei-Charhar Political Council and her disregard of the so-called "special conditions" existing in areas adjoining Manchoukuo would cause the failure of any new negotiations.—Domei.

NEW APPOINTMENTS IN WAICHIAOPU

Nanking, Mar. 8.

Two new important appointments were made to-day by Dr. Wang Chung-hui, new Minister of Foreign Affairs, immediately after his assumption of office this morning.

Mr. Hsieh Wei-lin, was appointed Secretary of selected rank, and Mr. Hsu Kung-su, Director of Department of General Affairs, which was concurrently held by Mr. Chen Chieh, Vice-Minister of Foreign Affairs.

Mr. Hsieh was at different times secretary to the Chinese Legation in Italy, the Netherlands and France. He was also attached to the Chinese Delegation to the Opium Conference at Geneva and Tariff Commission.

Mr. Hsu was recently appointed Chinese expert in Geneva, but he did not leave for his post.—Central News.

AMBASSADORS CALL ON FOREIGN MINISTER

Nanking, Mar. 10.

Efforts to improve Sino-Japanese relations were mutually pledged by Mr. S. Kawagoe, Japanese Ambassador to China, and Dr. Wang Chung-hui, the new Chinese Foreign Minister, when the former called on the latter at 3 o'clock this afternoon at the Waichiaopu.

Other foreign envoys received by Dr. Wang to-day included Dr Oscar Trautmann, German Ambassador, Mr. Nelson Johnson, United States Ambassador, Mr. R. Feitscher, Czechoslovakian Minister, and Mr. Oscar de Oxholm, Danish Minister.—Central News.

SMUGGLING IN THE NORTH

Sir Frederick Maze Reports on Recent Incidents

The organized smuggling in North China which, he says, continues to affect seriously the Customs revenue and to reduce the funds available for the foreign loan service, was the subject of another report to the National Government by Sir Frederick Maze, Inspector-General of the Chi-

Sir Frederick drew attention to the recent cases in Tientsin and Tsingtao "impairing China's sovereignty and nece Maritime Customs, on March 14, Customs authority."

In Tientsin, he declared, the Customs House was attacked by armed Koreans, who forcibly removed a considerable amount of smuggled cargo stored there, while in Tsingtao a Customs officer engaged in executing his duty was assaulted by a Japanese mob and injured.

Redress in both instances was sought, but, so far, has not been secured.

Sir Frederick reminded the Government that "Japan's general attitude in the north towards the smuggling situation constitutes a contravention of the Japanese Treaty of 1896, as well as of the Tariff Autonomy Agreement of 1930, which stipulates that all matters relating to rates of duty on imports and exports in the territories of China and Japan shall be regulated exclusively by the laws of the two countries, respectively."

The Customs Preventive organization on the railways in the North, Sir Frederick added, continues to impede the circulation of illicit cargo from Tientsin. It should be understood, however, that the work thus performed is largely of a palliative nature: "the radical solution of the smuggling problem is to restore China's supremacy in East Hopei, and thus enable the Customs Preventive Department to function normally in that demilitarized and foreign-controlled area."

NEW INCOME TAX REGULATION

Nanking, Mar. 14.

Income tax should be collected on interest accrued from current deposits made by business establishments, according to a ruling just made by the Ministry of Finance.

Meanwhile the Ministry is tightening up the collection of income tax from public functionaries following the discovery that out of 13,000 government organs in the country only 4,200 units have complied with the Income Tax Law. Henceforth all government organizations are required to deduct the tax, failing in which the treasurers will be held responsible.—Central News.

BROAD PRINCIPLES LAID DOWN

Mr. Wang Ching-wei on Duty of Government Officials

Nanking, Mar. 8.

In view of the importance of the resolutions adopted by the recent Third Plenary Session of the Fifth Central Executive Committee of the Kuomintang, the relevant organs which have been entrusted with their execution should not revert to the old practice of having them pigeonholed, but should see to it that they are effectively carried out.

So declared Mr. Wang Ching-wei, Chairman of the Central Political Council, when commenting on the significance of the proposals passed by the conference in a speech at the Weekly Memorial Meeting at the Central Party Headquarters this morning.

In view of the short session time did not permit the delegates to deliberate carefully over each proposal. All they did was to lay down a few broad principles leaving the details to be worked out by relevant organs.

What these organs should do now, Mr. Wang continued, is to devote full attention to careful study of the contents of the resolutions and worked out measures for enforcement accordingly. They should make revisions as they see fit. If they find proposals impracticable, they should frankly point it out. If occasion demands, another plenary session may be convened to discuss the question over again.

That national defence cannot be separated from industrial reconstruction was the keynote of a speech of Mr. Lin Sen, Chairman of the National Government, at the Weekly Memorial Meeting at the Kuofu this morning.

Pointing out the success of the industrialization in the U.S.S.R., Mr. Lin observed that the Chinese leaders had similar schemes in mind before the Republican era when they supported the famous "plans for national reconstruction" and "fundamentals of national reconstruction" of Sun Yat-sen.

In spite of the present crisis, he added, the Central authorities were determined to carry out the reconstruction programme of Dr. Sun, namely, communications, industrial and agricultural.—Central News.

BOXER COMMISSION GRANTS LOANS

Aid to Machine Works, Power Plants Approved

The 44th meeting of the Board of Trustees for the Administration of the British Indemnity Funds was held on March 8 at the Bankers' Club here, and was attended by the following members: Messrs. Chu Chia-hua, R. Calder-Marshall, T. K. Tseng, Yeh Kung-cho, J. Heng Liu, W. S. King, Chen Chi-tsai, Tseng Yang-fu, J. S. Li and H. V. Wilkinson. Mr. Han Lih-wu, Director of the Office of the Board, was also present. The following resolutions were adopted:

(1) Regarding the loan of £30,000 and $2,500,000 to the Ministry of Railways for the Chuchow Repair Workshop, the contract for same be passed and signed.

(2) In regard to the transfer of the National Machine Shops from the Ministry of Industries to the Ministry of Railways which involves a loan of £123,000 and $600,000 it was resolved that the transfer be agreed to and the Ministry of Railways will assume full responsibility for the loan obligations.

(3) Regarding the loan of £32,000 in materials requested by the National Construction Commission for the Tsiahuyen Electricity Works, it was resolved to grant the loan.

(4) In regard to the request of the National Construction Commission for a loan of £3,000 in materials for the extension of a Electrical Testing Laboratory, it was resolved to refer the matter to the Technical and Finance Sub-Committees.

COMMANDERS DECORATED BY NANKING

Nanking, Mar. 14.

Three military commanders who played a prominent part on the successful defence of Suiyuan were decorated by the National Government yesterday. General Yen Hsi-shan, Pacification Commissioner for Shansi and Suiyuan, and General Fu Tso-yi, Chairman of the Suiyuan Provincial Government, were decorated with First Class "Sacred Vessel" Medal, and General Chao Cheng-shou, Commander of the Suiyuan Cavalry, was decorated with Second Class "Sacred Vessel" Medal.—Central News.

THE question of raising the Legation of China in Belgium and Belgian Legation in China to the status of embassies has practically been settled, according to the "Shun Pao," and an official announcement to this effect will probably be made early in April.

TRANSFER OF TROOPS FROM SIAN

Tungpei Forces to be Moved in Two Weeks: Generalissimo Warns the Military

Nanking, Mar. 9.

Peace in north-west China now seems definitely assured with the announcement that the transfer of General Chang Hsueh-liang's former troops from various points in Kansu and Shensi to the provinces of Honan and Anhwei will be completed before March 20.

Mr. Hsu Liang, councillor of the Sian headquarters of the Military Affairs Commission, who is in Nanking making a report to the Central Government on the progress of the transfer, states that all available rolling-stock on the Lunghai railway is being used to facilitate the transfer. All divisions except cavalry are already on their way to their destinations and the cavalry divisions will leave for points east in a day or two.

General Ku Chu-tung, director of the Sian headquarters of the Military Affairs Commission, and General Yu Hsueh-chung, Pacification Commissioner of Kansu and acting commander-in-chief of Chang Hsueh-liang's troops, are expected to arrive here from Sian next week.

General Wang Shih-ting and General Liu Yi-an, divisional commanders under General Wan Fu-lin, whose former north-eastern troops are stationed in and around Paoting, is leaving here to-day for Fenghua to interview General Chang Hsueh-liang.—Reuter.

No Interference

Sian, Mar. 9.

The military authorities in Shensi and Kansu have received a circular order from General Chiang Kai-shek instructing that their troops should not interfere with local administration, it is learned here to-day.

In issuing this order, General Chiang took cognizance of the fact that provincial appointments were made by the commanders of the garrison troops during the Shensi-Kansu imbroglio. With the restoration of peace and order in the two provinces, however, and with the reorganization of the two provincial administrations by the Executive Yuan, such practice will no longer be tolerated.

The Generalissimo also instructed local magistrates to take orders from their respective provincial governments.

In this connection, it is understood, General Sun Wei-jui, Chairman of the Shensi Provincial Government, will convene an administration conference here on March 20, when all commissioners and administrative inspectors will jointly formulate an administrative programme for the province.

Shensi, at present, is confronted with aqute financial difficulties, declared General Sun when speaking at the weekly memorial service yesterday.

The provincial treasury is facing a deficit of $3,000,000. To readjust Shensi's finances will be one of the chief topics of discussion at the coming administrative conference.

One comforting report, however, is that Shensi and Kansu are not suffering from a shortage of foodstuffs. Kansu enjoyed bumper crops last year. Shensi, with the exception of districts along the Lunghai Railway, also had an abundant year. With the resumption of the freight traffic on the Lunghai line, shipments can readily be made from other province when occasion arises.

Although the Sian-Lanchow telegraph line had been repaired immediately after the settlement of the Sian revolt, regular service between the two cities has not yet been resumed, as the line is jammed by military messages. Local communications authorities are making arrangements with the military authorities for an early resumption of the commercial service.

Gen. Yang Hu-cheng Loyal

Mar. 10.

In both political affiliations as well as in thought the North-western leaders have now come to entertain greater confidence and allegiance to the Central Government than they had before the Sian mutiny. This constituted the essence of an interview given by Gen. Yang Hu-cheng, Pacification Commissioner of Shensi, for the first time since December 12 last.

The greatness of General Chiang Kai-shek, General Yang emphasized, has been amply demonstrated by the way he settled the Shensi-Kansu affair. General Chiang's consideration of the welfare of the North-western people and of the problem of national defence, according to General Yang, has strengthened considerably the people's understanding of the efficacy of the Central Government.—Central News.

Administration Overhaul

Sian, Mar. 12.

Basic plans and programmes for a thorough overhauling of the administrative machinery of Shensi province will be decided upon at a provincial administrative conference to be held here on March 20, Lieut.-Gen. Sun Wei-ju, the new Chairman of Shensi, informed the press to-day.

In order to facilitate the execution of civil affairs of the province, General Sun has informally assumed concurrent duties as acting Commissioner of Civil Affairs before Mr. Peng Chao-hsien arrives to take up his post.

One of the important issues to be discussed at the forthcoming conference, it is learned, will be the food problem, which has seriously affected the livelihood of the populace since the outbreak of the Sian mutiny December 12 last.

Immediate relief measures for the rural population, reports reveal, have been ordered by General Chiang Kai-shek to be carried out, said duties having been entrusted to General Sun, General Ku Chu-tung, Director of the Generalissimo's Provisional Headquarters in Sian, and Mr. Wang Tien-chang, chairman of the Shensi Relief Committee.

In addition to the $300,000 which has been extended, the Farmers Bank of China has decided to advance another $300,000 as rural credit loans to the farmers in northern Shensi.—Central News.

Presents of Jade for King George VI

Nanking, Mar. 14.

Dr. H. H. Kung, Vice-President of the Executive Yuan and Minister of Finance, ordered 25 pieces of precious jade yesterday from the Sun Company, Shanghai, as a present for King George VI on the occasion of his forthcoming Coronation, according to the "Central Daily News" to-day.—Central News.

LABOUR PROVISION NOT RATIFIED

Convention on Compulsory Work Not for China

Nanking, Mar. 11.

The Convention governing enforced or compulsory labour, which was adopted by the International Labour Conference in 1930, failed to receive ratification of the Legislative Yuan at its meeting this morning.

Ratification was deferred by the Yuan on the ground that several articles contained in the Convention do not fit present conditions in China, particularly in view of the recent government decision on conscript labour.

While agreeing with the purpose of the Convention, which aims at the abolition of compulsory labour, the Yuan session was of the opinion that several clauses as regards to age limit, physical qualifications, payment of wages, sanitary facilities and other requirements, cannot be entirely enforced in China.—Central News.

ENVOY TO JAPAN RESIGNS

Mr. Hsu Shih-ying Urged to Reconsider

Nanking, Mar. 15.

Mr. Hsu Shih-ying, Chinese Ambassador to Japan, called on General Chiang Kai-shek, President of the Executive Yuan and Chairman of the Military Affairs Commission, this morning and tendered his resignation.

General Chiang, it is understood, urged him to reconsider the matter, suggesting that he should remain in China for a short rest before returning to Tokyo.—Reuter.

DR. WU LIEN-TEH MADE QUARANTINE DIRECTOR

Nanking, Mar. 11.

The following mandates were issued by the National Government yesterday:—

"Dr. Wu Lien-teh is hereby appointed Director of the National Quarantine Service of the National Health Administration.

"Mr. Lin Chao-tang is hereby appointed Chief Accountant of the Ministry of Railways.—Kuo Min.

Gen. Yu Fei-peng, who was recently promoted from the post as acting Minister to Minister of Communications, formally assumed office on March 8.

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Oil for the Lamps of China

NORTH-CHINA HERALD
Magazine Supplement

SHANGHAI, MARCH 17, 1937

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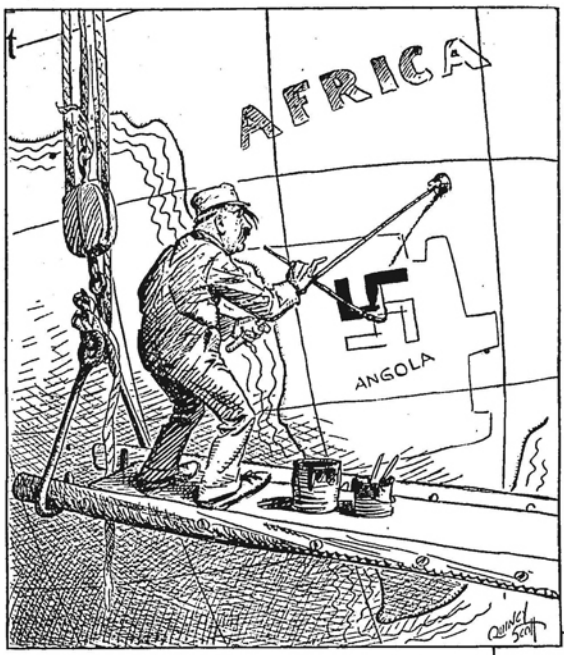
The World's Wit and Humour



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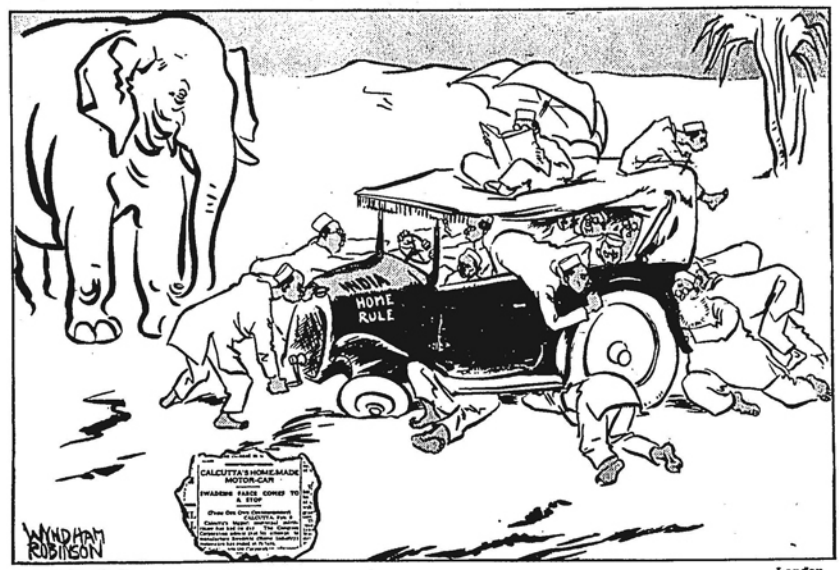
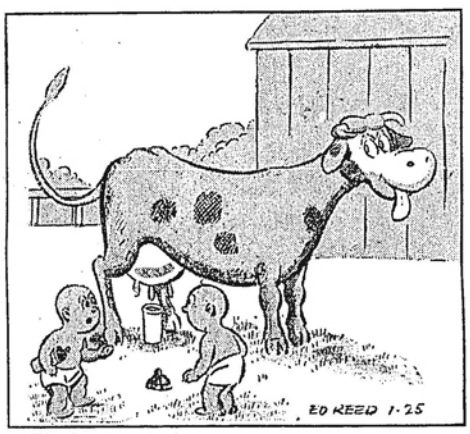
DESIGNS ON AFRICA?



"Morning Post" London
AND THE ELEPHANT LAUGHED AND LAUGHED.



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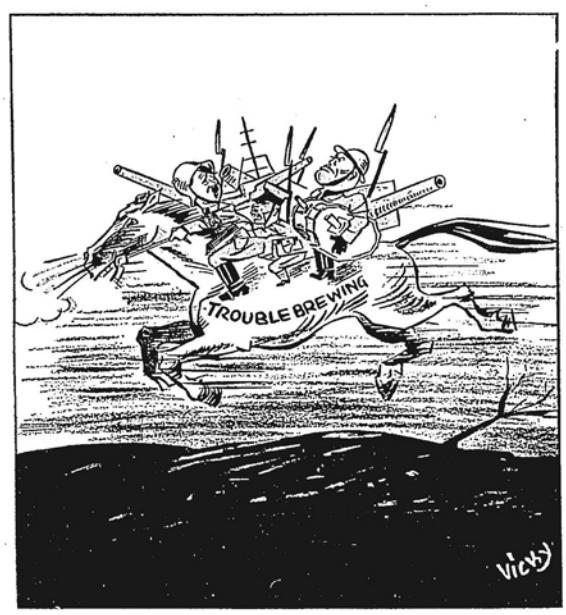
"Search me—how do you turn it on?"

"Chicago News" Chicago
UNANIMOUS.



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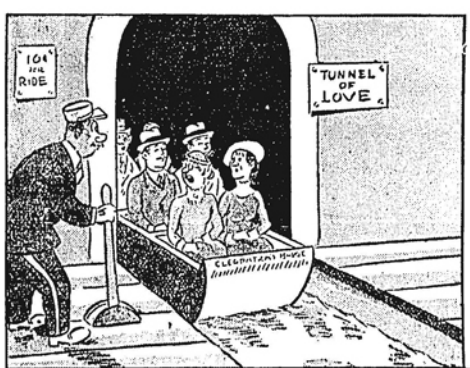
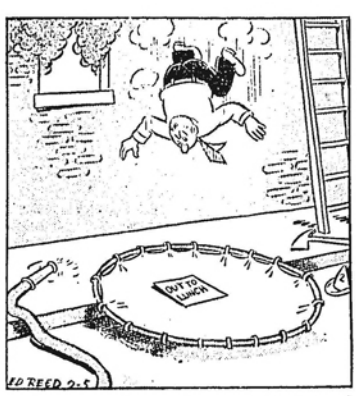


"Morning Oregonian" Portland, Ore.
"We want our money back. Nothing happened!"

"Columbus Dispatch"
A CASE WHERE HELP IS NEEDED.



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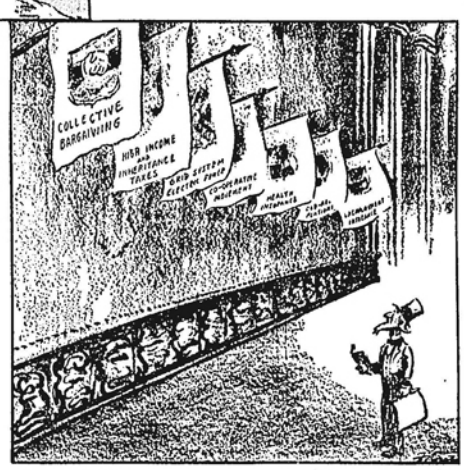

"Post-Dispatch" St. Louis
CAN THIS BE CONSERVATIVE OLD ENGLAND?

"Morning Oregonian" Portland, Ore.
FLIGHT.

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NEW VOICES

March 10.

By what may prove to be a happy coincidence both the new heads of the Foreign Offices at Nanking and Tokyo respectively have first-hand knowledge of international diplomacy gained in Europe. It is no more surprising to find Dr. Wang Chung-hui, once a member of The Hague Court, laying emphasis on international co-operation than to note in Mr. Naotake Sato's maiden speech at Tokyo the development of the doctrine that Japan's Far Eastern policy should be pursued in co-operation with other Powers interested in affairs here. Mr. Shigeru Nawagoe is returning to his post at Nanking with clear instructions to make an early report to Tokyo on the state of Sino-Japanese relations. The close accord between Dr. Wang Chung-hui's appreciation of the problem with its friendly note of cordiality in firmly upholding his predecessor's insistence on the maintenance of China's territorial integrity and Mr. Sato's significant desire to bring Sino-Japanese diplomacy "back to normal channels" augurs well for success in overcoming the present deadlock, or suspension of discussions, to put the state of contact of Nanking with Tokyo in accurate terms. An earnest of Japan's intention to return to the earlier process of co-operation with Powers represented in the Far East may be discerned in Mr. Sato's guarded but encouraging reference to the hope of re-establishing Anglo-Japanese understanding. Mr. Sato rightly ascribed to economic and commercial issues some of the responsibility for estrangement. It will be hoped that he is also aware of the need for removing differences which have arisen from impairment of the co-operative spirit in other contacts.

Mr. Sato was justified in pointing to the Comintern as a disturbing factor in Far Eastern policies. The Soviet Government disclaims official cognizance of that organization, but the disclaimer can hardly be regarded as anything more than a diplomatic fiction. The baneful activities of the Comintern in meddling with the internal affairs of nations which are technically on terms of friendship with the Russian Government constitute a problem of international importance. They are quite inconsistent with the professions by which Moscow asserts solicitude for world peace and incidentally with the declared policy which has lately evoked a drastic "purge" of the Communist Party in Russia. The charge against M. Trotsky and his followers has been based on their alleged adherence to the now discarded determination to stir up "world revolution" by direct action within foreign countries. M. Stalin's declarations limit the Soviet Government's efforts to the confines of Russian territory, although they do not explicitly repudiate the hope that the Communist doctrine may of its own accord spread throughout the world and bring about changes which would accrue from their adoption. The Comintern does more than encourage this aspiration; it carries on an unceasing war of propaganda, intrigue and conspiracy designed to subvert the bases of foreign governments and thus forcibly create the conditions suitable to revolution. This is an affront to international comity and is largely responsible for the dangerous courses into which socalled fascist states have been driven.

Mr. Sato's general attitude of co-operation attunes with the recent declarations of his predecessor in office but it goes further in implying that the "three point" programme will be examined before definitely accepting it as the future basis of Japanese policy. That programme, it may be recalled, has received varying interpretations. As actually defined by its author, Mr. Kenki Hirota, in Sept. 1935 it sought Chinese agreement to

1. China's abandonment of the policy of playing one foreign country against another
2. China's recognition of the existence of Manchoukuo
3. Joint Sino-Japanese measures for the effective prevention of the spread of Communism in the northern part of China

Economic co-operation and the suppression of anti-Japanese propaganda in China found subsequent mention in developing this policy. It is obvious that, in the light of events since Mr. Hirota made his statement, reconsideration of its relevance to the modified policy now apparently enunciated in Tokyo is essential. Not that it necessarily is generally inconsistent with the new adjustment of relationships which both governments show themselves willing to consider, but in definition it lacks the sense of equality of status now perceived to be fundamentally important to a successful rapprochement. Mr. Sato is virtually echoing some of the ideas of the Shidehara policy which was overthrown by the Manchurian incident of Sept. 1931 and all that followed in its train. In China and elsewhere gratification at that welcome revival will be strongly tinged with diffidence pending concrete evidence of Tokyo's ability to restore the direction of Japan's policy in China to the unquestioned control of the Foreign Office. The divagations of Japanese military spokesmen, supported by the operations of the Kwantung Army, have lately been less conspicuous, but their fruit is still apparent in North China and beyond. This reservation is imperative. The interests of Far Eastern peace are well served by Mr. Sato's admirable statement but that gain will not be consolidated unless clear-eyed recognition of the full implications of past actions is preserved. Dr. Wang Chung-wui has given a dignified exposition of China's method of approach to the task of cementing Sino-Japanese friendship. It requires frankness in defining the mood of Japan's response. Mr. Sato has made an excellent beginning; perserverance in that vein of thought will deserve to meet with with cordial reinforcement by all who are solicitous for the smooth development of international relationships in the Far East.

A BASIC FLAW

March 11.

Mr. Adrian Moreing put his finger on the basic flaw in Shanghai's present machinery for restoring confidence and economic stability when he drew the attention of the House of Commons to the grave difficulties now experienced by landlords here in dealing with defaulting tenants. On the ability of the Courts to uphold the contract between landlord and tenant must depend the value of property and consequently the liquidity of the mortgage as a means of supplying credit, apart altogether from the defects in the mortgage law to which Mr. J. J. Paterson pointedly referred in addressing the shareholders of the Hongkong & Shanghai Banking Corporation last month. Mr. Paterson then recognized that legal anomalies governing the rights of landlords as against tenants required "straightening out." He emphasized, too, that Chinese no less than foreign interests were concerned in this matter which therefore urgently demanded remedial action at the hands of the appropriate authorities. It is highly satisfactory to learn from Viscount Cranborne's reply to Mr. Moreing that the British Ambassador has been asked to submit a report on this specific aspect of the problem. Nor is it irrelevant to observe that the Chinese Government itself has shown a sense of the disabilities suffered by landlords, otherwise their own municipal authorities here would not have been empowered to enforce local regulations in the domain of the City Government whereby the police assistance in the summary recovery of rent has been made available, although it should be added that the procedure in question, extra-legal as it appears to be, is not being lavishly invoked. Such an improvisation is, of course, not open to the Shanghai Municipal Council which has to rely on the operation of the law as regularly approved by the prescribed organs.

The plain fact is that unscrupulous tenants can and do evade payment of rent and the civil procedure code, well-intentioned as its provisions may be, gives them ample scope for this dishonesty, to the prejudice of the upright members of the community. Property owners without distinction of nationality know this all too well. Their offices are choked with examples. The need for revision of the mortgage laws is admitted and has received full exposition in these columns, but if redress were found for the present inequitable and dilatory application of the law in determining the issues between landlord and tenant an important and fundamental eradication of the abuses now afflicting mortgage investments would be secured. The problem has engaged the close attention of responsible interests in Shanghai and it is hoped that, before long, such weighty representation may be made to the Government that the required remedies may be applied. The British Ambassador may be expected to give the subject his close attention in the light of the answer received by Mr. Moreing in the House of Commons. Land is the foundation of Shanghai's credit. It is recognized, all the world over, as the basis of investment security, the index, in fact, to the health of the credit system in any given country. That is a vital point to be borne in mind when China is seeking to enlist the practical support of foreign capital. The depression through which this city has been passing has been gravely accentuated by the unfavourable operation of legal procedure on the situation to which falling land values have given rise. The landlord is not the only sufferer—whether Chinese or foreign. The community as a whole feels the pinch. In the Settlement the defaults in rent payments have apparently been often accompanied by failures to pay the municipal dues with the result that revenue collection has suffered. The Council's loss is the loss of the Settlement which has to forego much-needed amenities in the cause of economy. Rents in Shanghai have fallen, it is believed, by something like 25 per cent. in the last two years. On an average it is estimated that 20 per cent. of the rentals of properties are unoccupied—"empties" to use the technical colloquialism—and when on the top of this deficiency in the landlord's revenue returns there comes this quite avoidable misuse of the law's machinery by defaulting tenants, it will be seen that property-owning has reached a point at which it is seriously handicapped in ministering to the credit requirements of commerce here.

Confidence is gravely undermined when such a condition of affairs develops. There is no complaint at the fall in rents or even in land values, although in so far as the latter decline is due to the complications imposed by legal obstruction to the recovery of rents and the foreclosure of mortgages it betokens a diminution of confidence which is detrimental to the expansion of credit. What Shanghai needs just now is the creation of reasonably sound facilities for the investor to release the money at his disposal. In property he should find such facilities but if they be hampered by processes which make it impossible for him to be sure that the recognized return will be forthcoming from the property rights inherent in his investment, he obviously becomes reluctant to take risks altogether incommensurate with the prospective return on his outlay. Looking back on the pre-depression days when Shanghai land was so effective an instrument of credit it is most disappointing to observe the present stagnation. The tide is said to be showing signs of a turn. Every effort should be made to give its beneficent mood the fullest possible encouragement. That cannot ensue so long as there exists a state of things in which, under cover of legal procedure, a tenant can occupy premises indefinitely without paying rent and can only be brought to book by the expenditure of much money on law costs out of all proportion perhaps to the sum involved, after inordinate delays. The indebtedness of a tenant for premises occupied under agreement is clear beyond argument. None of the complexities governing other forms of contract are likely to intrude, yet, under the present system, knowing full well that he is defaulting on his solemn undertaking, the tenant can appeal to judicial authority in a spirit which virtually admits that he is seeking to evade his proper obligations and is inviting the court to be an accomplice in his fraud. This intolerable deterrent to the working of what should be one of the simplest contractual engagements in commercial life here must surely be removed.

MISSION FROM JAPAN

March 15.

The influential economic Mission which has been sent from Japan to China is thoroughly representative of the banking, business and industrial life of Japan. Probably no more important body of commercial men has ever visited this country from across the Yellow Sea. It should give an authoritative touch to the movement for Sino-Japanese economic co-operation and it therefore comes with special appropriateness just when the new Japanese Foreign Minister has reaffirmed his Government's desire to approach the cementing of ties of friendship with China on the basis of a mutual regard for the economic and financial interests of the two countries whose interdependence, politically and economically, is so self-evident. In the light of political relationships as developed during the last six years, it will be recognized that the Mission has no easy task. Indeed, Mr. Naotake Sato is already finding his own statement of policy challenged by powerful elements in the fighting services and, although supported by General Senjuro Hayashi and General Gen Sugiyama, the Prime Minister and the War Minister respectively, he has yet to obtain the Privy Council's endorsement of his views. This is not surprising for the course of events in North China alone in recent years has created conditions which, unless profoundly modified, are incompatible with that regard for China's sovereignty to which Mr. Sato seemed to give impeccable definition. The Mission which now seeks to establish a workable economic understanding with China is bound to be confronted by the same difficulties. Solution is not impossible but unless the "new concept" which Japanese statesmen have lately talked of applying to their country's relations with China is an empty phrase, it cannot be readily discerned without some remedial treatment of Chinese grievances as specially subsisting in the so-called autonomy of East Hopei, the smuggling threat to China's service of her foreign loan services and the present disabilities experienced by Chinese authority in making military dispositions in Chinese territory in the North.

It has been hinted that the Mission may be prepared to recognize the need for withdrawing Japanese support of the East Hopei smuggling paradise—on which further light is thrown by the Government's publication to-day of another of Sir Frederick Maze's routine periodical reports—on condition that the Chinese authorities carry out a downward revision of their tariff. In tackling the question of economic co-operation it may also be proposed that Japanese Banks, following at last the example of other foreign banks, should hand over their silver holdings, estimated at about $9 million, provided that the money is placed at the disposal of a scheme for development of railways and other undertakings in North China. Thus Chinese money would be applied by Japanese pressure to beneficent enterprises which have for some time past been regarded as of special importance to Japanese interests in the North. Viewed in that light it will be agreed that such proposals will require considerable diplomatic agility for commendation to China's favourable attention. In themselves, if thus correctly defined, they are highly satisfactory, but it is difficult to see how they can find acceptance in the setting devised for them. It will be recognized that the Chinese Government carries a responsibility as precisely defined last month by the Fifth Central Executive Committee at its Third Plenary Session:

> In our external relations we shall not tolerate any aggression against our territorial sovereignty..... If there is still hope for peace we shall still be willing to continue our efforts in working for a preliminary readjustment of Sino-Japanese relations on the basis of equality reciprocity and mutual respect of each other's territory.

Japanese diplomacy will perceive that this obligation duly accepted by the Government cannot be ignored in the discussions likely to emerge from the visit of the eminent business men at whose head stands Mr. Kenji Kodama, formerly President of the Yokohama Specie Bank.

Political changes in Japan have firmly brought the influence of men like Mr. Kodama again into the picture. General Hayashi depends in no small degree on the benevolent support of industrialists and bankers who are in close sympathy with the politicians' demand for a proper control of the militarists. It is probable therefore that the Kodama Mission will not blindly accept the prescription provided by militarist interpretation of the Hirota policy, especially as Mr. Sato himself—with General Hayashi's implicit approval—has frankly demanded latitude in endorsing its "three points." First things, Nanking may say, must come first. Political issues have to be clarified before economic problems can be pressed to solution. Or, putting it in another way, it is inconsistent with the principle of equality that economic proposals should be based on the conditional rectification of breaches of China's sovereignty. Nor does it seem consonant with Japan's dignity to claim that support which should never have been given to the smugglers of the North cannot be withdrawn unless China adopts a downward revision of her tariff. This flagrantly would infringe her tariff autonomy guaranteed to her by solemn treaty. It is conceivable that China will be prepared to consider specific tariff rates which are held to operate unfairly against Japanese imports, but the issue can hardly be linked with the restoration of China's clear rights to prevent smuggling without gravely prejudicing the fundamental character of equal negotiation. If the "new concept" of which Mr. Shigeru Kawagoe and his chief at the Foreign Office have so insistently spoken has reality, these points are likely to receive attention. So, too, are the conditions in which Chinese authority in Hopei and Charhar is being subjected to Japanese military supervision. The whole question is, of course, exclusively the concern of Japan and China, as they develop the admirable purpose of ending an unsatisfactory impasse. It comes within the purview of outside commentary only in so far as it has to be taken into account in assessing the possible trend of the discussions which the Kodama Mission is expected to initiate on its arrival at Nanking. Everyone interested in the stabilization of Far Eastern affairs will wish the Mission success, but it would be doing no service to either party if the essentials of a permanent and practicable agreement were glossed over or if vital principles of international comity were treated as negligible.

A FASCIST FLOURISH

March 16.

Signor Mussolini recalls past epics of European colonization in Africa by his present visit to Libya which comprises the former Tripoli and Benghazi (Cyrenaica) taken from the Ottoman Empire by Italy's annexation in 1911. Herodotus tells of the founding of the Greek colony of Cyrene which from the 7th century B.C. for five hundred years was one of the prosperous symbols of Greek culture, although on the advent of Egyptian rule in 321 B.C. its decline began. The rise of the Roman power in the neighbouring Carthage completed the fall and when, about 96 B.C. Cyrenaica passed into Roman hands the beneficent influence of Greek colonization had all but disappeared. Roman gave way to Arab in the seventh century and Arab eventually to Turk, the formal inclusion of Tripoli and Cyrenaica (Benghazi) in the Ottoman Empire being effected in 1835. Italy is therefore reviving old associations in developing her colonial Empire in Libya. Not long

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after her annexation of the country the Great War broke out to prevent much attention to Libya. After that four-year interruption General de Bono who was destined to win honours later in another part of Africa, applied himself to the task of establishing the administration and in 1926 the value of Libya was enhanced by receiving from Egypt the oasis of Jarabub on its eastern border in return for a rectification of the frontier near Sollum. Marshal Balbo has carried on the traditions of General de Bono and Signor Mussolini must have peculiar pleasure in paying personal tribute to achievements in which two of his chief lieutenants have distinguished themselves. Road-making has ever been an important instrument in Roman colonization, as Englishmen, whose ancestors had first-hand experience on the subject, know full well. It is fitting therefore that Signor Mussolini should set his seal on the construction of the fine road which has been declared open in Libya. Its ministration to the progress and prosperity of the country will be watched with sympathetic interest.

In making his bow on African soil Signor Mussolini could not forget the responsibilities which now vest in Italy's increased territorial possessions there. Next door to Libya is Egypt, south of which stretches Anglo-Egyptian Sudan whose eastern frontier, except for some 400 miles of Red Sea littoral, marches with the western confines of Italian Eritrea and the Italian Empire of Abyssinia. The Leader of modern Italy felt impelled to give a friendly salute to Egypt, in emphasis on the significance of recent changes which include, let it be noted, the assumption by Egypt of the status of full independence and her claim to membership of the League of Nations. To Libya's part in developing Italy's sea and air communications Signor Mussolini attaches great importance. Colonization is not the main function of Italian enterprise in Libya. It is estimated that Tripolitania can take 300,000 settlers but no more. Italian energy has transformed the country. The town of Tripoli, for example, is no longer a monument to lethargy and neglect of sanitation. It has been recently described as "a model example of oriental cleanliness." Signor Mussolini has then good cause for pride in witnessing the advances made in Libya. He may be pardoned if he sees visions as he visits the territory where modern Italian effort has so admirably developed commercial enterprises by up-to-date methods of communication in conditions calculated to test the highest standards of pioneering persistence. If the occasion has given rise to some flamboyancy of mood it is churlish perhaps to be too critical. Yet candour demands appreciation of Il Duce's new claim to be the "sole protector of Mohammedanism and the Arab race." It is not clear whether the withdrawal of certain passages in the relevant pamphlet is substantial or merely verbal. Marshal Balbo gave a hint of the claim in his enthusiastic message of welcome to his chief. It is therefore pertinent to consider the position of Italy in relation to Islam on the basis of actualities.

The number of the followers of Islam in the world to-day cannot be estimated with precision, for many of the countries in which the Mahomedan religion prevails lack facilities for exact calculation. The world's 209 million Mahomedans live mainly in Asia which has 160 million of their faith; Africa comes next with 44 million, then Europe with 5 million and America with 20,000. Of the African Moslems Egypt has 13 million, Nigeria 11 million, Sudan 6 million, Algeria 6 million, Tunisia 2 million, Morocco 780,000, Senegal 600,000, Libya 500,000 and British Somaliland 344,700. It will be seen therefore that leaving out any other continent, Africa gives both Great Britain and France far more interest in Mahomedanism than Italy for, apart from Egypt, Great Britain's African territory includes at least 17 million Moslems and France's 9 million as against Italian Libya's half a million of whom 36 per cent. are negroes. But the extravagance of Signor Mussolini's claim receives an even more formidable rejoinder when Asia's figures are studied. There China has 15 million, Turkey 13 million, Afghanistan 12 million, Arabia 10 million, Iran (Persia) 8 million, Irak 3 million. Soviet Russia's Mahomedan subjects are difficult to compute but an estimate of 10 million is not probably very wide of the mark. Above all India has 77,677,545 Moslems and there Mahomedan power reached its zenith of distinction and renown. In India the teaching of Islam and its close associations with Arabia where the holy places are now under the vigorous rule of the King of Saudi Arabia, better known as Ibn Saud, Sultan of Nejd and King of the Hedjaz, are highly valued by responsible authority. Moslems have full and equal membership of the Federated India which may soon be an accomplished fact and the beginnings of which come to view next month when British Indian provinces assume the responsibilities of autonomy. Not a little are Mahomedans proud that their Holy Places are now under a fully independent Mahomedan rule capably directed by King Ibn Saud. In Iran, Irak, Afghanistan, they see Mahomedan kingdoms whose integrity and independence are completely recognized. Nor is it irrelevant to note that the premier Indian potentate, His Exalted Highness the Nizam of Hyderabad, ruling over a predominantly Hindu population maintains a Mahomedan dynasty of great dignity and renown. In the special non-territorial supremacy of His Highness the Aga Khan, spiritual head of 5,000,000 Khojas, Mahomedans have with the British Empire another important tie of loyalty and friendship. It is difficult to understand what Signor Mussolini expects to achieve by standing forth as the sole protector of a faith which has its roots so deeply and so expansively in other than Italian soil. To Mahomedans the Khalifa as the successor of the Prophet is he who guards the Holy Places in the Hedjaz—Mecca, Medina and Jeddah. The Ottoman Sultan held this high position until the fortunes of the Great War brought modern Turkey into existence and gave Arabia independence. No more suitable Khalifa than King Ibn Saud, the leader of the fierce, puritan Wahabis, could have been entrusted with the sacred charge. The revival of Arab power has coincided with an Islamic renascence which is sympathetically viewed by France as well as by Great Britain, both countries having special grounds for solicitude in that regard. Great Britain in particular must always value her responsibility for Mahomedan welfare, not only as the inheritor of the Mogul Empire but also because, from the right bank of the Indus within her Indian Dominion, there stretches to the Caspian a solid block of the world's surface which is entirely Mahomedan in population and, when once the Durand Line be crossed, mainly under independent and friendly Mahomedan rule. These considerations cannot be ignored when Signor Mussolini's flourish in Libya receives public notice.

NAVY ESTIMATES

March 13.

The speech by Sir Samuel Hoare, First Lord of the Admiralty, when introducing this year's Navy Estimates in the House of Commons on Wednesday, is the most gratifying reading that has been provided for many a long day. For some years the process of slowing down on new construction as much as possible had been adopted with the object of relieving the current year's Estimates at the expense of subsequent years. That was a practice which was never satisfactory and was bound to bring a reckoning some day. It was a matter for considerable satisfaction that last year the practice was abandoned, though, of course, now the bill has to be paid. The picture in those past years was not a pleasant one and in the past two years endeavours have been made to remedy the deficiencies which were giving the naval experts much reason for concern. Now what would normally be the work of ten years is being telescoped into two, so that Britain by that time will have regained some of that strength of which she purposely deprived herself after the Great War in the hope that the other nations of the world would follow her example. It must ever be a matter of regret that they did not do so, but now that they have adopted the doctrine that the only way to ensure peace is to be adequately prepared for war, the leaders of Great Britain could be criminally stupid if they left any breaches in their defences, or, by a continuation of that self-imposed weakness, modified the great influence for peace which she has always sought to wield. Great Britain has not been lamentably weak, but the deficiencies in her strength were such that she was not the influential Power she ought to have been during some of the crises which have arisen during past years. Now, by the repeated declarations of British statesmen, the world at large is informed that such a state of affairs is no longer to be tolerated, and that Britain's voice in the cause of peace—and it is evident that peace depends entirely upon the fullest provisions for self-defence—shall regain some of its old strength.

Sir Samuel's insistence that there would be no rivalry between Great Britain and the United States in naval matters, and that there could be no race with Germany in naval armaments is most reassuring. At the same time this particular reference may be significant by the inferences to be drawn from his omissions. There will undoubtedly be some foreign criticism of the programme which makes it possible that 148 new vessels for the British navy will be under construction by the end of the year. But the admission made by Herr Hitler, that each individual nation must be its own best judge of what it needs for its own protection, must necessarily apply in this instance. Were Great Britain a comparatively small nation with a correspondingly small coastline the programme to which the Britain is now being asked to commit itself might be considered as unwarrantably large. But when the peculiar situation of the British Isles are taken into account, their dependence upon the mercantile marine for its food supplies, and the great distances between the various component parts of the British Commonwealth, it will still be contended by some that, until the British navy has been brought up to its former strength, the margin of defence will always be thin. The fear has been expressed that all this hurried preparation by Britain is in itself an incitement to war and that hostilities are brought all the nearer by the possibility that some nation or other will strike before she is equipped along the lines which have now been decided upon. Too much weight need not be given to that. That the possibility does exist is unhappily, only too true, but the chance of any nation "getting away with it" is even now so small that the gamble involved does not appear to be worth while.

It is also pleasant to note that the Admiralty in selecting designs for the new ships has applied all that they gained by the experiences of the Great War and subsequent experimentation to the work which they are now arranging to put in hand. A fleet of 148 vessels of all classes, the very last word in naval design, is a formidable addition to any navy. Sir Samuel Hoare's remark that the navy was caught in a transition stage in 1914 seems to be borne out by the memory of some of the events in the naval history of the War. The Admiralty has now had seventeen years in which to develop counter-action to the new forms of attack which emerged during the period from 1914 to 1918, and those others which have been invented since, so that the new vessels may be confidently expected to provide adequate answer to all the latest developments in marine and aerial warfare. Yet, while the greatest satisfaction will be felt that the nation has at last been awakened to the peril in which the peace of the world now stands, it is with regret that the expenditure of so much wealth for the purpose of destruction has come to be considered imperatively necessary. It is a tragic fact that during the past few years and in the near future a sum which cannot be very far from £10,000,000,000 has been or is being spent in rearmament. It is almost impossible to imagine the good that might have been done had that money been used for the improvement of the lot of suffering humanity. But speculation concerning the benefits that a diversion of so huge a sum to gentler purposes than war would bring to mankind, is of no avail in this day and age. So many nations of the world have condemned themselves to the preparation for and contemplation of war, that Britons can only feel relieved that, great though the sacrifice must be, their country is putting itself in the best posture of defence.

THE WAY OF THE WORLD

A UNIVERSITY'S ROLE

On behalf of the special fund for increasing the financial resources of Oxford University the Chancellor (Viscount Halifax) and the Vice-Chancellor (Dr. A. D. Lindsay) make observations which have a general bearing on University education in institutions other than Oxford's and in countries outside the British Isles. The University has a most important role to play in developing the right spirit of research for application to the problems now besetting the world to-day. The contributions which science makes to the advancement of industry, commerce and public health receive inspiration and reinforcement from the University laboratories. That is not the only form of research: in the University the mind of the scholar, the objective study to which the true student of affairs should devote himself all the more freely in an academic setting, should manifestly prove of great value to the thought of the day, in creation of that sane public opinion on which sage statesmanship hopes to depend. On a concrete problem Lord Halifax is reported in the cables to have referred in another pronouncement to the prevalent notion in some countries that democracy has become a "dubious dogma." No greater service can be rendered to the world in its present inquietude than by independent and dispassionate appraisement of current tendencies and policies. There the University can perform admirable functions, not necessarily by propounding its own solutions or remedies, but by so training the processes of thought and learning that the products of its schools are able eventually, on emergence into the larger arena outside, to make an effective use of the opportunities given them for strengthening the resources of civilization and restoring humanity to the path from which it has been forcibly diverted by desperate repudiations of the democratic faith.

SOVIET AND RELIGION

Statistics disclose that the reports of a gradual modification of the official Soviet attitude toward religion for the membership of the socalled "Godless" organizations has markedly decreased—a sure index of the decline of authority's favour. Moreover the Education Minister has taken action to close institutions which have been notorious in their antagonism toward religion. In the first flush of red enthusiasm the Church came in for drastic persecution on the principle that religion was the opiate devised by Capitalism to enslave the proletariat. As time went on it came to be noticed that in propagating its own doctrines the Soviet Government was really resorting to the same appeal which is the essence of religious influence. The sorrows of the Russian Church drew the sympathy of the world outside Russia and this led eventually to some effort by Moscow to show that extreme hostility to the Christian religion had been abated. Actually certain facilities for public worship were restored. Last Christmas the celebration of the season was not so severely hampered as in previous years; indeed Christ-

(Continued on page 447.)

NEW FRENCH LOAN

March 12.

The statement that one of the chief reasons for the coming flotation of the French Defence Loan is to bring about the repatriation of capital, is an interesting indication as to the extent of the meaning of the words "national defence" and the important ramifications which they represent. Prior to the devaluation of the franc a large amount of French capital went abroad for the purpose of being reimported when the currency change was effected, thereby making a profit for the manipulator. Devaluation was attended by disappointing results, due in part at least to the confiscation of the profit secured by repatriation of capital. This measure may be said to embody a political principle and to be approved on moral grounds, but when put into force its justice is found to be equivocal; the impossibility of penalizing all profiteers made the penalising of the few an injustice. On the other hand the return of funds after devaluation to Holland and Switzerland suggests that the same phenomenon may be witnessed in the case of France now that M. Vincent Auriol has retreated from his untenable position. It may come as a surprise to some that France is so quickly again raising a loan after the very recent negotiation of the £40,000,000 credit with Great Britain. But that operation proved to be a success, even though there was regret that France should find herself under the necessity of borrowing abroad again, and the terms of the loan were generally accepted as satisfactory. It is reasonable to suppose that this fact encouraged the French Government to embark on this new loan, reported to be in the neighbourhood of ten milliards of francs in order to bring back into France much capital which still remains expatriated.

Had it not been for the government's policy of taking the profit out of repatriation, and the general lack of confidence which then existed as to the immediate financial future, it is more than likely that there would have been no need to have gone abroad for the money found in Britain. The loan obtained there was at the time looked upon as a stop-gap to enable the French government to look round, consolidate the advances which have been made in other spheres, and thus ultimately effect an improvement in the financial situation. Everywhere, except in the realm of finance, optimism existed a month ago. Industry, while not booming, was recovering rapidly, in spite of heavy increases in manufacturing costs consequent upon higher wages, paid holidays and the forty-hour week, though these by increasing purchasing power will in the ultimate event assist towards recovery. The decision to issue this internal loan may, therefore, be taken as an indication that the French Government believes that, as a result of its change in policy, an atmosphere favourable to its success has been created. Whether M. Blum's estimate of the position is a true one or not will be seen in the course of the next few days, though the indications are that his optimism will be justified. It must be remembered however, that much of the recent flight of capital from France was due to rumours that the government intended devaluing the Franc to its lower legal limit of Frs. 112. That has been strenuously denied on a number of occasions, but the fact that the Government can and might do so, undoubtedly has the effect of inducing those, who already have their money abroad, to keep it there in view of the greater profit which would be made if indeed the devaluation eventually was adopted.

A great deal depends upon whether the owners of expatriated capital believe the government's assurances, and there is something to be said for the contention that the nation's interests in this matter would best be served by pegging the franc at the lower level simultaneously with the flotation of the loan. The uncertainty created by the rumours would be eradicated once and for all, apart from any of the other benefits which supporters of this step never fail to emphasize, such as an increase in the influx of foreign visitors to the benefit of of those industries which cater to their needs, and which for some years have been in none too good a way. In the deadlock with which M. Blum has been faced for some time past, where economic recovery has been waiting on the restoration of confidence which in its turn is itself waiting on the improvement, M. Blum pleaded for patience. That he was wise in doing so is clear from the undoubted improvement which has taken place since he came into power. For example the Budget deficit which rose between 1930 and 1935 from £38,000,000 to £90,000,000, will, it is estimated for the present year be reduced to £43,000,000. Large classes of workers are receiving better wages, thus reviving the home market, reduced to stagnation by a long period of deflation. In the face of all these facts the only conclusion which can be reached is that M. Blum has chosen the right moment for issuing this new loan. That this will prove to be correct will be the desire of all who have watched with admiration the patient and careful manner in which he has handled the affairs of the nation during his very trying term of office.

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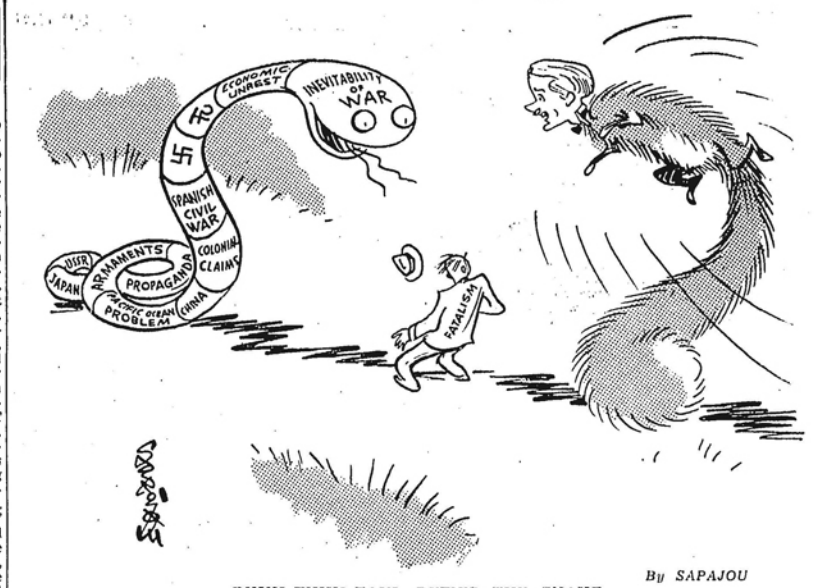
SHANGHAI NOTES

SHANGHAI AUDIENCES

A correspondent has ventured to inquire whether the Shanghai audience is exceptionally difficult to move by the flesh-and-blood performer on the stage. The need for the actor or actress to make an early contact with the emotions on the other side of the footlights will be generally recognized. With some audiences the feat is easier than with others, and the blame does not necessarily rest with the performer. Every experienced player knows that audiences vary almost inexplicably. A famous French actress has recorded that, in one of her great parts, with some audiences, she cried real tears in a certain passage of the play —with others she dare not go to such extremes. The supreme art of stagecraft is to sense the temperament of the audience as quickly as possible. The orator knows the feeling of having his audience at his mercy. It is the same with the player, assuming of course that the dramatist has supplied reasonably good material. Kipling effectively told of the "coo" which Nellie Farren could command from her subjects. Actresses like Marie Tempest, to cite only one, have the same ability to-day. The Shanghai audience's international composition always presents a difficult problem. Moreover stage plays are rare occurrences here except in the hands of amateurs, and amateurs are frequently under the handicap of being personally well-known to a large proportion of their audience with the result that the creation of illusion is for them all the more difficult. That is why the last and Saturday night's performance of an A.D.C. show is so often the best; the cast has grown more skilful in getting across the footlights, the audience is less strongly streaked with members of the Club and, an important point, it is in a more definitely holiday mood. Some change in play-going audiences here must be attributed to the dominance of the film. Applause is not normally forthcoming in the cinema. Indeed the display of audible reaction to a film is discouraged within the audience, although the laughter which greets wit and humour cannot be chained. It matters not to the screen performer whether the audience is moved for he cannot adapt himself to its mood. Further, it must be remembered that the cinema brings to the smallest town or village the art of some of the world's greatest entertainers and artists. No longer can the actor comfort himself with the thought that none better than he has been seen in Slocum-on-the-Marsh. He is confronted by an audience which knows how Garbo, Henry Stephenson, Joan Crawford, Paul Muni, Herbert Marshall act and move across the stage, how Fred Astaire, Eleanor Powell, Jessie Matthews dance and how Gladys Swarthout, Jeannette Macdonald, Nelson Eddy sing. There is a disposition to be more critical and hence to be slower in surrender to the would-be magician on the other side of the footlights. Post-war soldiers knew the feeling when they began to appear on parade in public in the streets filled with critical civilians who still remembered the fine points of putting on equipment, forming fours and sloping arms.

THE BRITISH STRAW VOTE

Quiet and business-like organization has secured a satisfactory poll in the "straw vote" taken to select the British candidates for election to the Shanghai Municipal Council. Seventy per cent. of the electorate polled so the vote may be regarded as authoritatively representing the community's views. Owing to the call of home leave only one of the present British members of the Council stood, Mr. Harold Porter and he, as would be expected, headed the poll. He is accompanied by Mr. R. G. MacDonald whose public service to Shanghai has been varied and beneficial, Mr. V. St. J. Killery, a former member who made an excellent impression during his term of office, Mr. W. S. King, an unwearied promoter of Sino-British friendship and one of the leading members of British society here, and Mr. F. N. Mathews whose sound business experience, general knowledge of local conditions and independence of view are generally recognized. The "team" is strong. It contains men who might have stood for the Council long ago. Mr. Porter's experience and capacity for grasping municipal problems in the light of his own former important services in a wider field in China and Mr. Killery's approved acquaintance with modern business enterprise on the grand scale give the community two former Councillors with whom the newcomers will assuredly be able to work in the full knowledge that their own admirable qualifications will find good scope in directing municipal policy. They are all offering to accept a difficult task for which the only reward is public gratitude and sometimes that has a quaint and not altogether fascinating habit of disguising itself effectively in outspoken criticism. The choice of the electorate is sound, although it is appropriate to pay a tribute of appreciation to the unsuccessful candidates most of whom had good claim to consideration.



By SAPAJOU

RIKKI-TIKKI-TAVI DEFIES THE SNAKE

Mr. Eden has declared that War is Not Inevitable.

WELCOME REVIVALS

Two welcome revivals in form were forthcoming during the week-end in both football codes in Shanghai—one accorded with expectations, the other created pleasurable surprise. The Fourth United States Marine Corps this season have lacked the material which in former years enabled them to produce one of the most formidable of the local rugger sides. Resolute training and enthusiastic perseverance in picking up the points of the game have had their effects on men, innately adaptable to sport. Rugger men knew that the Marines would not be satisfied with their earlier performances this season. The knowledge was confirmed by a well-deserved victory over a Club XV with the score of 20 points to nil. Although the Club was not fully represented the form displayed by the Marines was thoroughly satisfying and gives rise to the expectation that next season the Marines will again share in the full programme of the great game here. The other performance which aroused special interest was the amazing victory of the Palestine team in the International Association Football Cup Competition. Although their British opponents kept the game constantly in Palestine territory, superior opportunism produced goals for the hard-pressed side who thus won by four goals to three, their goal-keeper being conspicuous in a well-knit defence. They thus enter the final of the competition and it is hoped that their success will encourage the community from which they are drawn to revive the Jewish Recreation Club as a mark of the value of healthy sport in the well-being of the Shanghailander.

MISCHA ELMAN

The visit of the violinist, Mischa Elman, to Shanghai where he is to give three concerts this week must be accounted one of the chief musical events of the season. Elman's reputation as an artist needs no emphasis but he has the unusual distinction of having successfully emerged from the status of a "boy" genius to the full recognition of the same quality in him in the plenitude of his powers in manhood. The opportunity of hearing his incomparable playing will be a great privilege of which Shanghai music-lovers may be expected eagerly to avail themselves. He is assured of a warm and appreciative reception for, despite the jeremiads of croakers, Shanghai still finds time to give discriminating support to music. Indeed some maintain that, thanks primarily to the activities of the Municipal Orchestra and the enthusiasm of the Choral Society, there never was a time when Shanghai was readier to support good music. Possibly it may be said, too, that the support is broader based than it used to be, for the international character of the audiences which crowd the Lyceum Theatre on Sunday afternoons is specially marked. Incidentally the tributes now being paid to the unobtrusive and splendid services of Mr. R. C. Young as Conductor and organist throw a further light on this development in musical taste here.

RACING BEGINS

Shanghai's racing experts began their season in good spirit and in moderate weather at the First Extra meeting. The discerning backers of winners had good prices for their pains. Once again the significance of names found emphasis. Mr. Maitland on White Scamp was thought to be likely in the opening race to add to the glistening laurels won on the previous Saturday. His mount, however, was true to the baptismal assessment of his character and the indomitable rider had to be consoled later by the better manners of Kangar in the last race of the day. If a Sub-Griffin is named Experience a formidable challenge is obviously issued to any rivals even though they bear the honoured part-name of Eve. That proved to be the correct appreciation of the chief race of the day when Experience put all three favourites to shame thanks to the skilled handling of Mr. J. Pote-Hunt, who, like Mr. A. F. Clark and Mr. V. V. Needa managed to score two wins in the course of the afternoon. The attendance is reported to have been less than the excellence of the sport deserved. Perhaps the depressing weather of late has made race-goers slow in getting attuned to the right pitch of enthusiasm. There was no lack of interest among that large if not so expert, crowd which likes to go racing free of charge along the hospitable bank of the drain in Bubbling Well Road.

GUARANTORS WANTED

With the Coronation just a little over two months away, arrangements for the local celebration in connection therewith are rapidly taking shape. Naturally in the case of so big a celebration as is planned the question of finance always plays an important part, especially on account of the preliminary expenditures which have to be made in some cases long before the actual day. Following the precedent set on the occasion of the Jubilee display, the finance committee have been inviting guarantees from local Britons. The scheme is that a number of persons or firms should be asked to guarantee the payment of a sum not exceeding $500 each in the event of the naval and military display failing to make a profit, or having to be abandoned for some reason or other. This is necessary because it is from the profits of the display that funds are found for other activities in connection with the celebration, such as the treat for the children, etc. Mr. E. S. Wilkinson, chairman of the finance committee, has already succeeded in obtaining 65 such guarantors, who have promised to make up any deficiency that might result from the celebrations limited to not more than $500 each. He would like to have a list of one hundred names, for the more guarantors there are the less burden would fall on each in the event of a loss being incurred. As a matter of fact on the occasion of the Jubilee after everything had been paid for in connection with the celebrations the handsome sum of $10,000 was divided amongst local British charities. There is no reason why a similar if not larger sum should not be secured this year, but nevertheless the more guarantors there are the greater the committee's confidence in going forward with what should prove an epoch-making example of loyal rejoicing in Shanghai. It is to be hoped that Mr. Wilkinson will secure the hundred names he wants.

WAY OF THE WORLD

(Continued from page 446.)

mas trees were reported to be much in evidence. The recent exhibition in London by an Anti-Communist organization drew attention to the ferocity of the "anti-God" propaganda indulged in under apparently official auspices. Memories of the large number of Russian priests who were put to death in the revolution were thus stimulated. The Soviet Government cannot have been unaware of the damaging effect of all these revelations on world-opinion. In a sense therefore the reversal of policy which the statistics now seem to suggest once more emphasizes the ultimate triumph of the world's conscience although it may have to endure many affronts and humiliations before it can feel that its outraged susceptibilities have been placated. No-one can deny that from time to time religious hierarchies have endeavoured to exercise an undue influence in political affairs. The clash between the Church and the leaders of a popular movement has been productive of controversy and actual conflict in more than one country. Violent anti-clericalism has played its part in the history of many nations; Moscow is apparently beginning to learn the lesson that persecution as a weapon against the Church recoils on those who use it. In due course other totalitarian states will have a similar experience leading eventually to a similar change of heart.

VERSATILE POLICEMAN

Viscount Halifax' authoritative appreciation of the Indian situation was given to the East India Association as the introduction to an address by Professor John Coatman on the new Constitution which comes into force in British India on April 1. Mr. Coatman, who has been Chief News Editor of the British Broadcasting Corporation since 1934, is a Stockport man with all Lancashire's versatility. Graduating at Manchester University to which he went as a Walters Modern Language Scholar from Manchester Grammar School, Mr. Coatman entered the Indian Police in 1910 and served in the Frontier Constabulary with great distinction winning the King's Medal for gallantry in 1916 and five years later a bar to the same decoration. He saw service in the Waziristan Campaign (1919), the 3rd Afghan War and the Hazara Expedition. During his police service he took leave and, entering Pembroke College Oxford, graduated with first class honours in Philosophy, Politics and Economics as well as winning the Bell Prize. Having thus won academic as well as military distinction he plunged into press work as Director of Public Information at Delhi and Simla, in succession to Professor L. F. Rushbrook Williams. In that post he sat in the Legislative Assembly and later became Secretary to the Liberal Delegation at the Round Table Conferences on the Constitutional problem. For four years (from 1930 to 1934) he was the first Professor of Imperial Economic Relations at London University. Mr. Coatman is still more than two years short of his fiftieth birthday, so his already well-packed career has every prospect of expansion. His bluff, direct manner of speech and sturdy downrightness preserve him from the disabilities so often attaching to high academic attainments and on the radio he is always a popular speaker.

From Daily News Ads.

The Shanghai Yacht Club will hold its opening cruise on April 10.

Mr. H. M. Howell has joined the staff of Messrs. Malcolm & Co., Ltd.

The annual general meeting of the Country Club, Shanghai, will be held on April 6.

The annual general meeting of the Bute Plantations (1913), Ltd., will be held on April 2.

The annual general meeting of the Java Consolidated Rubber & Coffee Estates, Ltd., will be held on March 23.

The property and premises of the International Recreation Club at 722 Bubbling Well Road, Shanghai, are offered for sale.

The Area Paymaster, British Forces in Shanghai, invites tenders for Chinese dollars up to and for the sum of £15,000.

The Recreation Ground Committee (Race Course), Shanghai, are inviting applications for playing space during the summer season.

Mr. Peter Tod has been authorised to sign for Messrs. Jardine, Matheson & Co., Ltd., "per procuration" as from October 31, 1936.

Mr. Eric Moller has returned to Shanghai and has resumed his active position as governing director of the Moller interests in Shanghai.

A new bank, the Banque de Credit Commercial, situated at 257 Rue Cardinal Mercier, Shanghai, will be open to business as from March 16. They will deal in every branch of banking business.

It is proposed that a football team of present and past pupils of the Public & Thomas Hanbury School for Boys, Shanghai, be organized to compete in the Shanghai Football Association League next season.

Messrs. Clarkes Inquiry and Protection Agency, Shanghai, have been authorized by the German Consul-General at Hankow to recover all outstanding accounts owing to the estate of the late Dr. Herbert Wunsch.

The regular quarterly dividend of Tls. 1.50 per share on the Tls. 6 Silver Preferred Stock of Shanghai Power Company has been declared for payment on April 1, 1937, to stockholders on record on March 15, 1937.

At a meeting of the board of directors of the Shanghai & Hongkew Wharf Co., Ltd., held on March 15, it was decided to recommend the payment of a dividend of $6 per share for the year ended December 31, 1936. The annual general meeting of the company will be held on April 28.

Effective from March 12, the low water surcharge on the Hankow-Changsha-Siangtan section of the Yangtze River is reduced to 25 per cent. The shipping companies concerned are the China Merchants S. N. Co., China Navigation Co., Ltd., Indo-China S. N. Co., Ningpo-Shaohsing S. N. Co., Nisshin Kisen Kaisha, and San Peh S. N. Co., Ltd.

The "North-China Daily News" advertises its news broadcast daily from station XMHD (frequency 1420 kc., wave length 211 m.) from 12.30 to 12.40 p.m. and invites listeners to advise the Radio Editor, "North-China Herald," Shanghai, whether reception is good and especially if the news is received at points a considerable distance from the Shanghai station.

The Royal Society of St. George (Shanghai branch) offers two scholarships, each of the annual value of $100, one for a boy and one for a girl, the children of Englishmen. Also a special scholarship of the annual value of $100 for the boy or girl, the child of a Lancastrian, who obtains the highest marks amongst children of Lancastrians entering for the examination to be held on April 2. Candidates must be resident in Shanghai and not more than 17 years of age on the day of the examination.

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NEWS FROM THE INTERIOR

SINO-JAPANESE IMPASSE IN NORTH CHINA

Gen. Sung Che-yuan's Masterly Inactivity: Situation Resembles Armed Truce

BY W. LEWISOHN

Peiping, Mar. 5.

Politically things have been very quiet here in the North of late. Two different and opposite explanations are offered for the present calm. Some believe that the easing-up of the situation is an actual fact and not merely camouflage, and that political pressure really has been relaxed, owing to the political situation in Japan. It is supposed that in exchange for the passing of the huge budget which will entail tremendous sacrifices on all classes the army has agreed to give up its aggressive policy in China, which has anyhow not only proved itself comparatively unsuccessful, but, worse still, has been enormously costly.

According to the other view, however, the present calm is only temporary. The army, it is claimed, have not really relinquished any of their plans for the "conquest" of China, and are pushing ahead with them, as strongly as ever, only behind the scenes, for the time being, until the budget has been passed. Certain outward signs might seem to favour this latter view. Despite all the recent professions of good will towards China, there has been no mention whatever of reducing the much-swollen North China garrison. On the other hand, now that the weather is getting warmer and building operations can be proceeded with again, the work on the large barracks at Tungchow and Fengtai is being rapidly pushed ahead.

Gen. Fu Building Defences

Foreigners returning from Suiyuan also report that Gen. Fu Tso-yi is still entirely preoccupied with defence measures against further Mongol attacks which he expects may take place at any moment now. Such an attack, however, seems rather unlikely. The Japanese threw away, without obtaining the least result, large sums of money on the futile attacks of Mongol bands last autumn. It seems scarcely likely that in the present critical financial situation in Japan the army will be allowed to throw away good money after bad on a further unprofitable adventure of that kind.

Whatever may the correct reasons for the present seemingly easier situation in the North, one thing seems pretty clear: the Japanese have, as usual, not had much luck with their choice of persons. Not one of those whom they have appointed, presumably in the hope that they would forward Japanese policy, has come up to scratch. The great Doihara, now relegated to obscurity as the commander of a reserve division in Japan, must be laughing up his sleeve, as he reads what is going on in these parts.

Foremost among the disapopintments, from the Japanese point of view, is Gen. Sung Che-yuan himself. Pressed, on the one side, by what some may call the intransigeance, and others the patriotism, of his own Twenty-ninth Army, and on the other, by the encroachments of his Japanese friends, General Sung has maintained a masterly inactivity, and manages to keep his uneasy balance on the fence between the two.

The Japanese are not satisfied with him. But what are they to do? His chief claim to their support is the very fact that he is the commander of that Twenty-ninth Army, the only organized military force in Hopei-Chahar. If they were to remove him from his present post, the only possible successor would be some other general of that army who most likely would prove even less accommodating than he. To put in some outsider as commander of the army is impossible, as it would at once lead to serious trouble.

Gen. Sung Necessary Adjunct

On the other hand, without the Twenty-ninth Army, the task of maintaining peace and order in these parts would have to be carried out by the Japanese themselves, a task for which the present North China garrison would be scarcely sufficient. The Japanese, whether they like it or not, must cling to Gen. Sung Che-yuan, even if they can hope to get little more out of him. In the present state of Sino-Japanese relations up here, he is like a toy balloon which has been blown up to its fullest extent. A little more pressure and it will burst, when somebody might get a nasty black eye, if nothing worse.

Nor have the Japanese had any success with any of the other horses they have backed, though judging from previous form they might have expected very much better results. There is Chi Hsieh-yuan, one of the former Chili war-lords, who had been living in retirement in Tientsin for many years has been flirting with the Japanese. He is now one of the leading persons on the Hopei-Chahar Council and attends its meetings with the greatest regularity, but sad to relate appears to have quite changed his tune and has proved a sore disappointment to his Japanese patrons. Another bad disappointment has been the former "grey general," Shih Yu-san. At one time he was in open rebellion against the Central Government, so that great things might have been expected of him. But since he was appointed Commander of the Peace Preservation Corps in North Hopei, he has been giving the Japanese constant trouble. He has repeatedly refused to take their orders and is said to be on very good terms with the officers of the Twenty-ninth Army.

Puppets Full Strings

It is the old, old story: the Japanese manage to quarrel with all their tools. Or to put it the other way round: the puppets suddenly come to life and start pulling the strings themselves. The Japanese military gentlemen who, as we are being constantly told, know the Chinese so much better than anyone else seem to imagine that, as soon as a Chinese is working under them, he will change his nature altogether, and seem quite hurt and surprised when things do not work out as they had expected. And the worst of it is that they cannot go on changing their Chinese personnel for ever; after a time they run short of material. These difficulties of the Japanese in Hopei-Chahar to-day are an interesting and significant commentary on the theories of those people who talk lightly of the Japanese "putting China in order."

It seems doubtful whether even the economic development of North China has progressed according to plan. There has certainly been a very marked increase during the last two years in the number of Japanese enterprises, in Tientsin at anyrate, if perhaps less in Peiping. But that development was bound to take place in any event and would probably have been very much greater and more rapid, but for the interference of the military. Indeed, reconstruction work has suffered a direct setback in Hopei as a result of the Japanese impact. It is now one of the most backward provinces of China.

This no double is due, in part, to reasons of finance. As long as the Japanese assert their control over these parts, the Central Government is naturally averse to spending any more money than it can possibly help on reconstruction work. But another reason for the lack of development of the North is undoubtedly the atmosphere of passive resistance with which all Japanese suggestions of improvements are received by the local authorities. They presumably think it safer to do nothing at all, rather than to make an effort which might be interpreted as a surrender to Japanese wishes.

Smuggling a Pyrrhic Victory

The only "success" that the Japanese can be said to have gained in North China is in the matter of the smuggling from East Hopei. But even this is a Pyrrhic victory, or better still, is only a defeat of the Chinese Ministry of Finance, rather than a victory for Japanese business interests. As a certain portion of the smuggled goods comes from countries other than Japan, this smuggling is not entirely to the advantage of legitimate Japanese imports.

Although things in the North have been peaceful for several months, it would be incorrect to say that conditions have become more stable. On the contrary, there is a feeling of uncertainty in the air, and everybody is asking: what next? The truth would seem to be that both sides have become so interlocked that even a Japanese retreat—a highly improbable assumption—might give almost as severe a shock to the political situation, as would a further advance. The position of North China, it would seem, can only be stabilized as part of a general agreement between the two countries. And until that happens, the best that can be hoped for is what may be called an armed truce, as at present.

ABOUT 100 residents, the majority of whom are missionaries, have returned to Shensi and Kansu following the return of normal conditions.

EFFORTS TO SUPPRESS SMUGGLING

Japanese to Move Against Korean Roughs

Peiping, Mar. 9.

Effective measures to suppress the activities of Korean roughs in China will be taken by the Japanese authorities as a part of their efforts to improve Sino-Japanese relations, said Mr. Kato, first secretary of the Japanese Embassy here. Mr. Kato added that he is optimistic concerning the outlook between the two countries in view of the marked improvement during recent weeks.—Central News.

2,000 Armed Customs Men

Nanking, Mar. 9.

To cope with the extensive operations of organized smuggling gangs, especially in northern waters, the Customs authorities are reported to have secured the Executive Yuan's approval to strengthen the armed preventive force by 2,000 men. Recruiting of additional members for the anti-smuggling work will be entrusted to the Customs and the Salt Gabelle police forces.—Central News.

Return of Goods Demanded

Tientsin, Mar. 10.

Another minor incident occurred here yesterday morning in front of the Tientsin Customs House when several Koreans demanded the return of smuggled goods confiscated a few days ago by the Customs authorities. They were later arrested by the Japanese Consular police.

Meanwhile, a report from Tsingtao reveals that more than 80 sacks of smuggled copper coins were discovered yesterday morning by the local Customs in the Japanese ss. Taishan Maru on the point of leaving for Japan. The money was confiscated.

Large quantities of illicit sugar and soap shipped from Shanghai in the ss. Tsingtao Maru were also confiscated yesterday.—Central News.

Newsboy Stabbed to Death

Tientsin, Mar. 9.

A Chinese newsboy, Chai Yu-lin, was stabbed to death by two unidentified Koreans in the Chinese city early yesterday morning. The culprits are still at large. Chi and another newsboy were being escorted by policemen to the Police Bureau as a result of a fight with a Japanese and a Korean, when they were attacked by a band of Koreans. Chai was severely injured and the attackers made good their escape. The local Police Bureau has asked the co-operation of the Japanese Police in bringing the culprits to book.—Central News.

Rigid Preventive Measures

Chengchow, Mar. 11.

Smuggling activities along the various railways in North China have shown a slight decline as a result of the rigid preventive measures enforced by the Customs, according to Mr. Liesching, director of the General Anti-Smuggling Bureau of the Ministry of Finance, who has arrived here from Hsinhsiang in Northern Honan on an inspection trip

More preventive offices will be established in key cities along the highways and rivers, he said.

Mr. Liesching is leaving for Hsuchang in Central Honan to-day en route to Hankow and Shanghai.—Central News.

AMBASSADOR'S TRIP TO SOUTH

Sir Hughe to Journey to Canton by Train

Making communications history in China as far as British official patronage is concerned, Sir Hughe Knatchbull-Hugessen, H.M. Ambassador, who is engaged on an investigation trip of British Consular work, will travel from Hankow to Canton on the newly-completed Canton-Hankow Railway.

Sir Hughe to arrived in Hankow on March 12 and left on March 15 for Canton by the railway which was completed with the aid of British Boxer funds.

R.A.F. FLYING BOATS REACH SAFETY

Hongkong, Mar. 10.

The three Royal Air Force flying-boats which were forced down by a storm near the Ladrone Islands, about eighteen miles south-east of Macao, arrived safely here to-day.

Two British destroyers, the Duchess and the Westcott, raced to the assistance of the flying-boats from Hongkong and stood by until the storm subsided, when the machines were able to take off.

A fourth flying boat was also forced down, but broke away from its moorings and was forced to take to the air. It arrived in Hongkong yesterday evening.—Reuter.

NEW PRESS RULING IN NANKING

Editors of Suppressed Organs May Start Others

Nanking, Mar. 12.

Publishers or editors of newspapers and magazines which have been suppressed by provincial authorities for printing erroneous statements or for jeopardizing local peace and order, may apply again for permission to publish other dailies or periodicals, according to a ruling just made by the Central Publicity Department.

The only restriction on the right to start new publications, the ruling pointed out, is contained in Article 10 of the Press Law, which stipulates that persons who have no addresses in China, who are of restricted ability, who have served in prison or detention terms of more than one month, and who have not yet recovered their deprived civil rights, are not allowed to become publishers or editors of newspapers or magazines.—Central News.

IMPERIAL SEAL HELD BY TRIBESMEN

Delegation Asks Nanking to Issue New One

Nanking, Mar. 11.

Although the Chinese Republic has a history of 27 years, the official seal of Mr. Yan Chieh-chin, the political and religious leader of the Teh Fan Tribe in east Kansu is still the one granted about 100 years ago by Emperor Hsun Chih of the Ching Dynasty.

This was revealed by Mr. An-Yun-Cha-Sha, representative of the Teh Fan Tribe Chieftain, who is now here on a goodwill visit and also to petition the Central Government for a new official seal.

The Teh Fan Tribe, according to the tribal delegate, came to the Chinese Government fold early in the Tang Dynasty. Its chieftain was given the title of Chin-Chueh-Kuo-Shih. Later Emperor Hsun Chih conferred on the tribal chiefs the rank of Hu-Kuo-Chueh-Shih Hu-Tu-Keh-Tu, which the present leader still retains.

Mr. An-yun-Cha-Sha and other two representatives of the Teh Fan Tribe are planning to make pilgrimage to Pootoo, sacred island of Chinese Buddhists, toward the end of this month. The party is also seeking an interview with General Chiang Kai-shek.—Central News.

ORDINARY MURDER CHARGE

Mr. Liu Lu-ying to be Tried by Hupeh District Court

Hankow, Mar. 8.

Mr. Liu Lu-ying, a member of the Central Executive Committee and until recently chairman of the central publicity bureau of the Kuomintang in Nanking, will be tried in the Hupeh District Court instead of the High Court.

The charge against Mr. Liu, who was arrested late last month in Shanghai, is complicity in two assassinations—those of Mr. Tang Yu-jen, vice-Minister of Foreign Affairs, in 1935, and of General Yang Yung-tai, governor of Hupeh, last year.

The accused will not be tried in the High Court on the ground that the case is one of "ordinary murder." No date for the trial has yet been fixed.—Reuter.

TSINGTAO FACING WATER FAMINE

Tsingtao, Mar. 13.

Tsingtao is now facing an acute water famine. It is due, according to an announcement made by the Water Works, to drought since July and the increased use of water by factories.

The city is shorter of water than it has been for the past 30 years. The digging of new wells in expected to give temporary relief next week, while the spring rains, which will fall soon, will also help to relieve the shortage.—Reuter.

CHINESE NAVAL MEN

Twelve Chinese naval engineers have arrived in Hongkong to complete their training under British instruction. They are from the Chinese Government Submarine School at Chingkiang, capital of Kiangsu, and arrived at the Colony in the steamer Hai Li. For the next twelve months, they will be attached to the Hongkong and Whampoa Dockyard. Commander Tsai, of the Chinese Navy, is in charge of the party.

ONCE PROUD MANCHU EKE OUT LIVING

Former Aristocrats in Group Outside Peiping

Peiping, Mar. 9.

What is believed to be the last and largest batch of once-wealthy Manchus, who considered themselves "God's chosen children" during the Chiang Dynasty, are now living an obscure and forlorn life in a dilapidated village about a stone's throw from the walls outside of Hsichihmen.

Thousands of foreign and Chinese tourists who visit the Western Hills every year pass by the outskirts of this little village without knowing that these descendants of the former proud and wealthy "royal family" are struggling miserably to find their daily food.

These Manchus—better known as "chi min" banner people—are themselves to blame for their present plight because at the height of their glory they never made any attempt to get an education or to learn a trade on which they could make their own independent living.

Their forefathers depended on the prestige and wealth of the imperial circle and lived a lazy and luxuious life. The new generation inherited all the defects of the previous one until the collapse of the dynasty in 1911.

The exact number of banner men left in the country has not been ascertained but it is known that they are scattered in far sections of the land. When the Manchus came into power in Peking they were suspicious of every "Han" or Chinese.

In order to prevent any possible uprising or "dangerous thought" from poisoning the minds of the people, the Manchus organized eight banners, each having a large number of members who belonged to the royal family and who were to keep a close and watchful eye on the Chinese.

Rapid Decline

The fall of the Imperial dynasty witnessed the rapid decline of the bannermen, who were not only bankrupted because they had no savings, but also could not find any employment because they were not accustomed to work. Many wandered around the country begging for a living.

In 1917 and 1918 General Feng Kuo-cheng, then tuchun of Kiangsu, opened a Chi Min Livelihood bureau at Nanking. Each bannerman received a monthly allowance for food and clothing. Following the establishment of the National Government in Nanking in 1927, the bureau was abolished, and the work was taken over by the bureau of social welfare of the municipal government.

The younger women do a bit of sewing now and then to make a little money. Their greatest consolation is the winter season when the free soup kitchens are opened and where they can find a bowl of hot but not too-nourishing congee to keep them warm.—Central News.

$1,000,000 FIRE IN NANKING

Blaze Razes the Great China Emporium

Nanking, Mar. 11.

Five hundred people were rendered destitute and homeless by an early morning fire which raged for fully four hours and reduced the entire building of the Great China Emporium and the surrounding houses along Taiping Road to ashes. The total loss was estimated at $1,000,000.

The fire started at 3.30 o'clock in the morning in a pent-house of the Emporium. Fanned by a strong wind, the blaze soon spread to the main building and the adjoining Chung Yi Terrace.

Fire brigades were immediately called in and no less than 300 firemen were rushed to the scene. They succeeded in putting the flames under control only after three and half hours' battle. For a time, the premises of the National Avitaion Commission, on the opposite side of the street, was seriously threatened. No casualties, fortunately, were reported.

A conservative estimate put the total loss in the neighbourhood of $1,000,000. The Emporium, it was revealed, was insured for $400,000.

The cause of the fire was not yet established, but three employees of the Emporium are now detained by the police authorities for questioning.—Central News.

HUANG HWA, a secretary of the Kuomintang office in Canton, is being sought for by the police, says the "National Herald." He has been missing for several days, and is said to be in possession of some $14,000, which was to have gone to the benefit fund for the relief of war sufferers on the Suiyuan front.

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STRATEGIC IMPORTANCE OF HAINAN

Japan's Designs on China's Southern Possession Recounted: Means of Defence Outlined

BECAUSE of its strategic importance and great economic potentialities, Hainan Island, China's largest insular possession off southern Kwangtung, must be defended at all cost, declared the "Hsin Chin Jih Pao," or the "New Capital Daily," in a leading article entitled "Defend Hainan Island" in a recent issue, says a Central News Nanking message.

Since the Pakhoi incident, the paper said, Hainan Island has attracted both national and international attention. In Japan, the island is regarded as the best base for her southward policy. Therefore, during the Pakhoi trouble a number of youthful Japanese army officers asked the Foreign Office and the Japanese Navy why the island was not occupied outright.

A large number of Japanese men-of-war were despatched to Haikou, the most important commercial harbour in northern Hainan Island, which is situated at the neck of the Hainan Straits directly east of the Bay of Tonkin. Meanwhile, one of the demands the Japanese Gaimusho made on China last year was the right to station troops at ports along the Yanetze River and on Hainan Island.

Although Japan's demands and activities regarding the island have so far proved fruitless, they have revealed her aggressive ambitions which, the paper said, should be reason enough for Chinese worries. The geographic importance of the island, coupled with Japan's coveting glances, has awakened the Chinese people themselves to the importance of the southern island.

During the last few months, there has been much talk about developing Hainan Island. Last November, Mr. T. V. Soong, executive member of the National Economic Council and chairman of the board of directors of the Bank of China, personally undertook a trip to the island to map out plans for its economic development.

In January, the Kwangtung provincial reconstruction department drafted a four-stage development programme for the island. Then the Chinese Chamber of Commerce in Hongkong approached various circles in Canton and Shanghai to organize an industrial investigation party to the island. Meanwhile reports have been received of the organization of a $1,000,000 company by Chinese in Malaya also meant for the opening-up of the island.

All these go to prove that the importance of Hainan Island has been generally realized by the Chinese people, the paper said.

Ideal Naval Base

Hainan Island is not only rich in natural resources but also occupies a unique place in China's national defence. Yulin harbour on the southern tip of the island is by nature an ideal naval base. It is also the first port of call for ships coming to the Far East from Europe. Then along the north-eastern coast of the island is another good harbour named Tsinglan. These two harbours are bound to play an important part in the development of communications on the island in the future.

During the Manchu dynasty there was a proposal to build a 48-mile railway to link Tsinglan in the north with Yulin in the south via Chiacheh and Lingshui, two large cities along the eastern coast of the island. If this plan is realized at present, it will greatly enhance both the military and economic value of the island.

Then Haikou, though not an excellent naval base, is also important because of its location in the Hainan Strait. A reasonably good commercial harbour, it was made a port in 1885. In addition, other inlets and harbours on the island are also valuable both from the military and economic points of view.

Foreign Interests

All these harbours have close relations with Hongkong and French Indo-China. Speaking from the British point of view, if Hainan Island should become the military base of a powerful country, it would reduce the strategic value of Hongkong as well as threaten the line of communications between Hongkong and Singapore.

Then from the French point of view, if Hainan Island should be turned into a military base of a powerful nation, it would make it difficult if not impossible for her to defend French Indo-China. That is why as early as on March 15, 1897, the French Government secured the Manchu court's consent that it would never cede the island to any foreign Power.

Due to the balance-of-power forces, Hainan Island up to this date still remains an integral part of Chinese territory. This, the paper said, must be regarded as China's good luck.

Continuing, the paper said while neither Great Britain nor France, despite the close relationship of Hainan Island with their possessions in the Far East, is entertaining any territorial designs, the same thing can not be said of Japan. The latter not only wants to seize the natural resources of the island but also intends to turn the island into a naval base for the execution of her southward policy.

With Hainan Island in her control, Japan expects to deal a death blow to Hongkong and at the same time to cut off China's oceanic communication with the outside world. The ultimate aim of Japan's plan to seize Hainan Island is to dominate the whole of South China.

Defence Programme

Since Hainan Island stands in such a danger of being snatched by Japan, China must leave nothing undone to defend it. On the one hand it is hoped that every one of the 3,000,000 inhabitants on the island can be trained to become soldiers and producers, strengthening their positions for the defence of China's territorial sovereignty.

On the other hand, the paper expressed the hope that the Central Government and financial groups in China will adopt a positive programme for the economic development of the island. The building of railways and the opening of harbours should be important parts of any such programme, which is indispensable to the defence of the island against foreign aggression as well as to the retention of China's sovereignty over the island.

American Interest

Hongkong, Mar. 12.

American interest in Hainan Island was shown when Mr. Julean Arnold, American Commercial Attaché, left for China's largest insular possession by steamer to-day immediately after his return from Canton where he had spent several days investigating industrial and construction projects. Mr. Arnold will make a study on the industrial possibilities of the Island.—Central News.

CHINESE FERRY SCRAPES JAPANESE GUNBOAT

Hongkong, Mar. 9.

The ss. Li Hang, a ferry working between here and Canton, yesterday morning scraped the side of the Japanese gunboat Saga, anchored off Paiotan, near Canton. Negotiations have already been begun between the masters of the two vessels for the payment of reparations. The damage to the warship was slight.—Domei.

Canton, Mar. 11.

A settlement has been reached between the owners of the ss. Li Hang, a Chinese vessel plying between Canton and Hongkong, and the Japanese authorities here over the scraping of the passenger boat against the Japanese gunboat Saga near Canton on March 8.

It is stated that the Chinese have promised to pay for the repairs for the damages done to the Japanese gunboat which will amount to around $20,000. It is stated that the Saga may leave shortly for Hongkong to enter drydock.—Central News.

ANCIENT TOMB FOUND IN HONAN

Chengchow, Mar. 8.

An ancient tomb of the Han Dynasty period (206 B.C.-220 A.D.) has been discovered at Huaiyang, a district in eastern Honan. The tomb is 30 feet square, and is equipped with stone gates. A porcelain dog has been unearthed in the vicinity of the tomb.

A message from Tsinan states that 14 pieces of ancient relics, including porcelain vases and mirrors of the Sung (960-1126 A.D.) and Ming (1368-1643 A.D.) Dynasties have been discovered there, and are being publicly exhibited at the Tsinan Library.—Kuo Min.

BANDIT CHIEFTAIN TO JOIN GOVERNMENT

Chengtu, Mar. 12.

Peace and order will soon be restored to districts along the Szechuen-Shensi border as Wang Shanchun, notorious bandit chieftain, whose men have brought havoc to the inhabitants in south Shensi and west Hupeh while fleeing to Nanking, has addressed a letter to General Liu Hsiang, Chairman of the Szechuen Provincial Government, signifying his readiness to surrender to the Government fold. Wang's followers have suffered repeated reverses at the hands of Government troops in recent months.—Central News.

THIRD ENTHRONEMENT ANNIVERSARY

Manchoukuo Succession Law Promulgated

From Our Own Correspondent

Mukden, Mar. 8.

When Pu Yi first arrived at Changchun on March 8, 1932, one of the most striking features of the welcome accorded him was the *Koutou* performed by a long line of Manchus, who were drawn up in the road directly in front of the railway station entrance. Dressed in their best this company of descendants of the conquerors of China, prostrated themselves as their emperor appeared at the station door. The term of address inscribed on the banner which they proudly held aloft was of no little interest. It read: "Emperor Hsuan Tung, the bannermen of the eight banners in Kirin Province welcome our sovereign."

The use of the title "Ta Ching Huang Ti" or Emperor of the Ching Dynasty suggested a restoration of that line which held sway over the "Middle Kingdom" from 1644 to 1911. It was frankly admitted by one of the high officials of the new government that about two months after the capture of Mukden, in 1931, an enthronement had been intended by one group, but it had been found expedient to modify the plans, which had gone so far as the ordering of a tremendous number of old style Dragon flags.

Pu Yi was installed as, Chih Cheng, or Chief Executive, and when the enthronement finally did take place, in March 1934, particular emphasis was given to the statement that this was in no way a restoration of the Ching Dynasty, but that the Emperor Kangteh was the first of a new line.

Nothing was heard of patents of nobility, and when a call was made on the Emperor's brother Pu Chieh, then a student at the Military Academy, just outside of Mukden, the visitors were strictly warned against addressing the young man as Your Highness. It was explained that he was plain Lieut. Pu Chieh, having been commissioned after he had finished his studies in a Japanese military academy. It was pointed out that regardless of what titles various Manchus may have enjoyed during the Ching Dynasty, there were no princes in Manchuria.

Succession Law Promulgated

In the brief organic law of Manchoukuo and the revision necessitated by the enthronement, there was no provision for a successor to the ruler, although in the version of March 1, 1934, the first paragraph states that succession to the throne will be provided for by special enactment. This month, after a delay of three years, the Succession Law was promulgated.

Since the Emperor has no children, the Heir Presumptive is his brother, Pu Chieh.

Not long before the law was published, announcement was made that Pu Chieh, through the good offices of the War Department, had become engaged to Miss Saga, grand-daughter of a Marquis and a Japanese marriage was predicted several years ago—at first for the Emperor, later for his brother, and the announcement occasioned little wonderment. In the event of the present heir presumptive failing to survive the Emperor, and also leaving no sons, the succession would pass on to uncles and cousins of the Emperor, eventually bringing the nearest male relative of the Emperor to the throne. None of these hold any rank in Manchoukuo, though it was observed that, when several members of the family came from Peiping to Hsinking on the occasion of the Emperor's birthday officials of the Government, from the Premier down, showed extraordinary respect for them.

Social Programme

The manners and ideas of the population have been the subject of considerable thought by the powers that be. A recent statement outlined a programme which is intended to "Make clear to the people the spirit underlying the foundation of the state, to show to them the inseparability between this country and Japan, to promote inter-racial co-operation and to realize the Wangtao policy."

The items include (1) education for the masses, (2) enforcement of homage to the Imperial portrait, Imperial rescripts and the National flag and (3) establishment of training institutes based on the spirit underlying the foundation of the Empire.

The stilted language in which these thought-control measures are set forth can raise but limited enthusiasm among the common herd, so special moving pictures are to be provided. Special awards are to be made to those of great age, for conspicous examples of filial piety and to virtuous widows. It is also proposed to print books in simple language which will set forth the spirit of the foundation of the nation and to foster the national consciousness.

It sounds as if those who go in for "basic Manchoukuoan" would be well equipped with insomnia cures. A more inviting prospect is the plan to make opportunities for visiting Japan, though even this is loaded with the serious mission of making the tourists realize the inseparable relations between the two empires.

Educational Ukase

The Department of Education, observing that the mode of life of the people deeply affects the prosperity of the country, has sent out an ukase that governors and mayors of special municipalities are to instruct their subordinates to prepare opinions on marriages, funerals and other features of daily life in order that reforms may be effected.

A mere outline of the headings for these reports shows that the said subordinates are expected to compile fairly comprehensive encyclopaedias on "things Manchoukuoan." Presumably the paternalist government will then decide on which customs or habits shall be reformed, replaced or eliminated. Styles of clothing, religious beliefs and farewell parties all are in for reform. The discouraging of extravagant expenditures in connection with marriages and funerals would be of undoubted benefit to the peasantry, but one cannot view with unmixed emotions the ambitious programme of social reform to which the local solons have given utterance.

PEIPING-LIAONING RLY. TROUBLES

Serious Drop in Revenues Perturbs Nanking

Nanking, Mar. 9.

Serious attention is being paid by the Ministry of Railways to the operations of the Peiping-Liaoning Railway which, according to unconfirmed reports, is in financial difficulties because of business depression.

Originally one of the most prosperous railway lines owned by the Chinese Government, the Peiping-Liaoning Railway received a serious setback in 1931 when its Shanhaikwan-Mukden section was seized by the Manchoukuo authorities. It retained its degree of prosperity, however, as no less than three-fourths of its passenger and freight traffic was taken by the Peiping-Shanhaikwan section, which the Chinese authorities continue to control.

The creation of the "East Hopei Autonomous Council" with alien support in November 1935 dealt the line another severe blow. The section of the railway passing through the jurisdiction of the bogus regime was in constant danger of being seized, and it was not until repeated negotiations were made that an agreement was reached whereby the railway would pay an annual sum of $100,000 to the East Hopei regime as a price for non-interference. The treasure chest of the line, however, was thereby further depleted.

The general trade slump and the unstable conditions in North China are further factors for the business depression of its main communications line.

According to latest figures available, the foreign loan obligations of the Peiping-Liaoning Railway have now reached the sum of $11,320,000, while its material loans total $7,422,556.

Measuring 912 kilometres in length, and boasting of 153 service cars, the line is one of the best managed in China. The total capital investment of the line at the end of 1933 stood at $126,875,119, while its approximate revenue receipt was $24,112,940 for 1934 and $36,692,540 for 1935.—Central News.

FAMINE STRIKES AT NORTH-WEST

Nanking, Mar. 8.

While the rehabilitation of the North-west needs immediate attention, the burning issue is the relief of the famine stricken, communist ridden, and war scared inhabitants in Shensi and Kansu, declared Gen. Teng Pao-shan, commander of the reorganized First Army, now on visit to Nanking.

While in Nanking, Gen. Teng will report to the Central authorities on the gravity of the famine situation in the North-west. He interviewed Gen. Ho Ying-ching, Minister of War, this morning, and will return to Kansu after calling on Gen. Chiang Kai-shek, President of the Executive Yuan.—Central News.

TWELVE DROWNED AS FERRY CAPSIZES

Tientsin, Mar. 10.

Twelve Chinese are believed to have been drowned when a Chinese ferry-boat travelling across the Hsin Ho at Tungtaku capsized to-day. The ferry was overturned when it was caught by the wash of a steamer. It carried 30 passengers, all Chinese, at the time.—Reuter.

GERMAN GRATITUDE TO CHINA

Officials Decorated for Care Given War Prisoners

Decorations have been conferred by the German government upon several Chinese officials in recognition of their services to German prisoners interned during the Great War, while they were in China. At a dinner party given by the German ambassador, Dr. O. Trautmann, in Nanking on March 11, the first class order of the German Red Cross was bestowed upon General Wang Ku-pan, and the Cross of Merit upon General Kuo Kung-shih, Mr. Wang Kuri-lin, the former mayor of Nanking, now living in Tinghai, Colonel Chang Chuan, and Colonel Liu Wei-kuei. These awards were made as a result of the good offices of the officials concerned on behalf of German prisoners of war in China, and especially the men of the German destroyer S90, who were interned in Nanking.

Other guests at the party were Dr. Lautenschlager, General Li Nai, General Wang Yue-kuang, Dr. Hsu Dau-lin, Baron von Lamezam, and others.

In a speech the German ambassador said that in bestowing these decorations upon General Wang Ku-pan and his war-time collaborators, he wished to voice his Government's sincere desire to commemorate the work done by them during the world war in the service of true humanity. General Wang, he said, had been entrusted with the care for the welfare of the valiant crew of the torpedo boat S90, which had in October 1914, under the command of Lieutenant Commander Brunner, successfully broken through the enemy blockade at Tsingtao and had sunk an enemy cruiser by torpedo fire.

Help to the Crew

After this heroic deed, for ever noted in the annals of the German navy, the S90 had seen no further possibility of partaking in maritime warfare. And it must have been with a heavy heart that the decision was reached to give up the ship and to have the crew interned. The tact and the spirit of true military comradeship shown by General Wang had been a great help to the crew of S90 in their predicament, and they remembered him to this day with the greatest esteem.

General Wang, the ambassador continued, and his collaborators could fulfill their task so successfully because they were bearing in their hearts and in their minds the old traditions and customs of China, as expressed in sayings of Confucius, which the ambassador quoted.

In handing over the decorations, the German ambassador expressed his congratulations to the three Chinese officials thus honoured.

General Wang Ku-pan replied in fluent German: "On behalf of my friends and myself I thank you for the high distinctions bestowed upon us and for the hearty words with which you, Mr. Ambassador, addressed us. You may be assured that we are always ready to co-operate in promoting friendly and hearty German-Chinese relations. I took the opportunity on the occasion of the visit of the German cruiser Emden to Nanking to assure you that we keep in good memory the exemplary conduct of comradeship of the crew of S90. I beg you, Mr. Ambassador, to convey our thanks to the German Government."

Later General Wang Ku-pan proposed a toast to the German people and their leader.

ANCIENT TRIBUTE SWORDS DISCOVERED

Peiping, Mar. 8.

Tribute swords from the kings of Korea to the emperors of the Ming Dynasty are among the finds recently made by the Government Museum in the armoury south of the Wu Ting Tien in the Forbidden City.

These swords are about five feet long and of exquisite workmanship. In addition to the swords a number of rifles, daggers and knives were found. Whether they also came from Korea, experts do not agree.

In another storeroom in the Wu Ying Tien over 1,000 horn lanterns were found. These are of many shapes, many of them being apparently intended for the Feast of Lanterns. Experts are at work sorting them and determining their period.

As soon as the finds are arranged and catalogued an exhibition will be held by the Government Museum.—Reuter.

MANY FORGED NOTES IN HONGKONG

Hongkong, Mar. 8.

A large amount of forged notes have been discovered here during the last few days.—Central News.

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PEOPLE DESPONDENT IN AMOY

Foreign Competition and Decrease in Land Values Responsible for Hong Closures

From Our Own Correspondent

Amoy, Feb. 27.

The Chinese New Year has come and gone leaving behind it more than its usual annual financial catastrophe—its usual annual financial catastrophies. Shops closed for the holiday, all over the city and many remained closed and four native exchange banks declared their insolvency. Amoy had 80 such banks two years ago; to-day it has less than 40. As there is no business in silver, the new Chinese system of paper currency has killed these banks. They had acted as go-betweens in the purchase of land and land-brokering, and now since land has depreciated so much in value the bigger banks refuse to accept it as security.

Eight large piece-goods shops failed to open and many more small ones. Two such firms, owned by Changchow people, long established and well-known, also closed their doors. One had liabilities to the extent of $300,000. The most important failure, however, has been that of the Liok Hong Rice Mill. This is the biggest rice mill in the surrounding district and was opened 25 years ago, shortly after the Republic was established. The initial capital was $6,000. It was the first mill to use electricity as motive power and had many branches throughout Amoy and Kulangsu. During its prosperity, people clamoured to put money into the business and it began the dangerous system of receiving money and paying interest on funds deposited with it. The chief operating centre was transferred to Shimah to be near the rice fields and a great new building was erected there and a plant from Germany was installed costing $400,000, while its capital mounted to $600,000.

Communist Interference

Then came the attack of the Communists on Changchow which had a disastrous effect on the business. Competition from Rangoon rice followed and for years affected the local selling market, until recently when a tax was placed on imported rice to help the rice-growers of the outlying districts. The Company's debts had now mounted to $300,000 and on Jan. 28, this year a meeting was called to consider the situation. This meeting was adjourned to Feb. 8. At this meeting the members resolved to wind up business at the Chinese New Year.

The manager of the company, however, suggests reorganizing. If all assets are realized only 20 per cent. can be paid to creditors, but with reorganization, he thinks, that there is hope of a recovery of 40 per cent. for them. The Chinese Chamber of Commerce has been asked to communicate with the Safety Bureau on the subject.

The Telephone Company has also announced a bad year. This is one of the largest business concerns in South China having a capital of $2,000,000. Four years ago it was prosperous and flourishing and able to pay dividends to shareholders, but last year one-fifth of its subscribers ceased to use the telephone with a corresponding decrease in revenue. Their line connecting Haicheng, Shimah and Changchow has been taken over by the Government on an arrangement that all messages coming to Amoy over the Government's long distance telephone line will be paid for at a rate of five cents per message. The working costs of the Company for the year was $90,000 and its income just covered expenditure and no more.

Such is the sad record of business failures that the Chinese New Year brought. Many firms would have held on had there been one ray of hope for the future. The future seems to indicate continued loss for an indefinite period. To cut losses and close, under the circumstances, appeared to be the only alternative. And it is the best of people among the mercantile class, the strictly honest, who suffer the most.

Custom's Seizures

Seven sailing ships were recently met, on their way to Chunchow from Formosa, by a Custom's cruiser; all loaded with goods apparently seeking to evade the formality of a Custom's inspection. Two of the vessels escaped, one was sunk and the others brought to port. Such is the competition that honesty has to face. The staffs of almost all business houses have been reduced since the New Year, in many cases only one quarter of the former employees remaining. This, of course, means throwing hundreds of men out of employment.

Banditry is decreasing as fast as military rigour can subdue it. This week in Lamching, beyond Changchow, the military attacked a group of bandits in their stronghold and after half an hour's fighting the leader with six of his followers were killed. Although the remainder escaped, five rifles were seized. Subsequently, in further fighting, ten more bandits were killed and another ten wounded; an additional six rifles and a revolver were found.

At Shimah, between Changchow and Amoy, two bandits were killed and two wounded; three revolvers and a bomb were confiscated. One of those killed is reported to be the trusted lieutenant of the famous bandit of the Shimah district, Huang Kok-tai. Increased Government control is apparent in the outlying districts with a huge growth in the cities of conditions that breed banditry.

Pessimist Philosophizing

The year seems to hold little prospect of a change for the better. The old endure and die, the young desire something but what they do not know. That "what" is the secret of the future. Is it the place and station in life their fathers occupied—a sufficiency barely able to give support to life, but sufficient to keep it raw and unendurable by suffering and heartaches the present conditions bring. Certainly the "what" will not be towards the old type of Communism from which China has suffered, a type that has been only another name for banditry, murder, and rapine: to kill the rich and seize their wealth simply because they possessed what others lacked. That "what" is misty at present, but it will take concrete shape with the years and will probably be an organized reshaping that will give all the right to work, to food and to live.

A young woman recently was fined $5 because she attempted suicide and failed. She had been reduced by poverty to despair. Rather should she not have received $5, than an attempt be made to mulct her of that which she did not possess. The Government is showing the way to the "what." It is teaching the young how to organize, how to attain unity, through school-group movements and concentrated assemblies. If the Government will lead in this youth movement that is growing, much can be done. If Government has the courage and charity of vision before it is too late, it will not only survive, but be idolized. It can never, however, return to retrace its steps. The wheels of mental changes grind on from generation to generation slowly but surely. Group organization, education and enlightenment will never allow a return to the old standards. The driving forces at work are many. Increased activity in government circles has brought increased expenditure and pecuniary demands in a human field that has decreased and decreasing ability to pay. The collector of the police tax is now accompanied on his monthly visit to firms with armed police who finger their guns while the owner tries to explain how his income does not cover the food of his employees let laone taxes. But that is no excuse—to pay is an inexorable necessity. There is the problem that worries Government financial experts as well as business men: how to pay when there is no income with which to pay.

Fortune Teller's Misfortune

A lady visited Amoy this week from Swatow. She stayed at an hotel and announced that she could tell from her client's features whether they would be fortunate in life's financial affairs. Her rooms were crowded with enquirers, but quite suddenly she packed up and left. The pretty young wife of a shopkeeper had visited her and, after being thrilled with the statement that her charming features would yet be productive of a munificent fortune; also was told, by the feline deceiver, that her magic power could double everything.

She demonstrated her ability by doubling bank notes, and so cleverly was this done that the young lady was convinced of her magical ability. Not only bank notes but gold could she double. The dupe brought a gold bracelet to have a similar one, produced in this magical manner. It was placed in a brown paper bag which was sealed, and she was told that the bag must not be opened for one month otherwise the charm would be spoiled.

Doubt entered the young woman's mind, for she opened the bag that evening and found, not her bracelet, but a piece of copper. She told her husband; they went to interview the magician and met her on the doorstep of the hotel. The lady magician recognized the situation instantly, took the bull by the horns and, screaming that her charm had been destroyed, seized the bag, whirled it round, and in it was found the original gold bracelet. This magical ability to double incomes, to a Government or a business man, would, indeed, be a blessing at the present time. Unfortunately, only this magician from Swatow has the secret and she has gone, like Sindbad the Sailor, off on another new and strange voyage.

CHINA AND EDUCATION CONFERENCE

Objection to Invitation to Manchoukuo

Nanking, Mar. 9.

China will not attend the conference this year of the World Federational Associations if Manchoukuo is invited to participate. This attitude has been decided by the National Educational Association of China, which has passed the following resolution:—

"If the World Federation of Educational Associations contemplates inviting or accepting any delegates, representatives or observers—official, quasi-official, private or in any other capacity from regions whose present political status is not recognized by the League of Nations, China will not participate."

The conference, which will be held in Tokyo, is to be opened in August, 1937.

Mr. Chen Chien-hsiao, secretary of the National Educational Association of China, has written to Dr. Paul Monroe, President of the World Federation of Educational Associations, informing him of the resolution. Meanwhile preparations are being made for China's participation in the conference, but these will be suspended unless an assurance that Manchoukuo delegates will not be admitted is received.—Reuter.

TUNGTING LAKE GAP TO STAY OPEN

Hupeh Residents Fear Closing May Cause Floods

Hankow, Mar. 8.

Agitation has been started by the Hupeh residents in Hankow against the proposed closure of four gaps north of Tungting lake, one of the largest lakes in China, by the Hunan authorities.

It is their contention that the closure of the four gaps in Hunan territory will spell the ruin to the south Hupeh districts inasmuch as the embankments along the Yangtze and Han Rivers are unable to withstand the terrific onrush of the currents from the two streams which empty into the lake.

In view of the gravity of the situation, the Executive Yuan has ordered the Hunan authorities to drop the plan for the time being, pending the outcome of a meeting of representatives of the Ministeries of Finance, Interior and Industry, the National Economic Council, and the Hupeh and Hunan provincial governments on March 19.—Central News.

GEN. YU HAN-MOU IN HONGKONG

Hongkong, Mar. 8.

Extraordinary precautions were taken this morning to safeguard the person of General Yu Han-mou, Pacification Commissioner of Kwangtung, when he arrived here from Shanghai aboard the liner President McKinley.

Special squads of police cleared the wharf of all except the distinguished Chinese and foreign personages who had gathered to welcome him.

General Yu, who is on his way to Canton from Nanking after attending the plenary session of the Central Executive Committee of the Kuomintang, crossed the harbour at 11.30 in the Governor's launch and made an official landing at Queen's Pier.

A guard of honour provided by the Senforth Highlanders, with a pipe band, was drawn up on the pier.

After inspecting the guard General Yu proceeded to Government House to call on the Governor, Sir Andrew Caldecott. Later Sir Andrew returned General Yu's call. This was the first time the two had met.—Reuter.

DRUG ADDICT EXECUTED IN PEIPING

Peiping, Mar. 10.

The first drug addict to pay the death penalty in Peiping under the new narcotic laws was executed this morning. Twelve pedlars of drugs have already been executed here. The addict executed this morning was 26 years of age. He had been "cured" at a local clinic, but had reindulged in the habit.—Reuter.

FOOCHOW-NANCHANG RLY. TO BE BUILT

Foochow, Mar. 10.

Construction work on the projected Foochow-Nanchang Railway will be started shortly, it is learned here today. The roadbed will first be laid on the section from Yenping in Central Fukien to Kweichi in Kiangsi.—Central News.

BEGGAR'S MEMORY STILL GREEN

Asked Alms, Started Three Charity Schools

Dead for over forty years, a beggar still lives in the memory of the Shantung people. He is Wu Hsun, who during his life time rather played the part of a mendicant in order to raise funds for establishing schools. He begged for over thirty years.

In commemoration of his unusual enthusiasm in the promotion of education the Shantung provincial authorities recently decided to erect a memorial temple and a monumental statue for him by the side of the Taming Lake, the most scenic spot in the city of Tsinan, says a Central News message from Tsinan.

Preparations are also being made by a committee, headed by General Han Fu-chu and Mr. Ho Ssu-yuan, Chairman and Commissioner of Education of Shantung Province respectively, for an elaborate celebration of his 100th birthday anniversary on December 5, this year.

Wu, a native of Tangyi in Shantung, was born in 1837 in the reign of Emperor Tao Kuang of the Ching dynasty. Because of the poverty of his family he was a beggar from childhood. Feeling his illiteracy a disgrace, he made up his mind to open schools to educate children. After begging for more than thirty years he collected sufficient funds to establish three charity schools at Tangyi, Kuantao and Linching respectively, which have existed till to-day.

He had no confidence in his own ability in actual educational work, so he engaged several experienced educators and let them have a free hand in running the schools. Whenever he found any teacher or student in the schools neglecting his work, however, he would kneel to persuade him until the latter promised to be more diligent and make up the work.

The beggar educator died in 1890 at the age of 63. Following his example, his grandson, Wu Chin-ting, is also begging money in Shantung for educational purposes.

CHINESE DOCTORS TO CO-OPERATE

Nanking Committee Formed for Their Regulation

Nanking, Mar. 11.

China's herb doctors and scientifically trained physicians have decided to bury their past differences, as a special committee has been organized under the auspices of the National Health Administration to regulate the so-called "native medicine" and its practitioners throughout the land.

Speaking during the inaugural ceremony for the new committee yesterday, Dr. J. Heng Liu, Director of the National Health Administration, urged the members of the new organ to avail themselves of this opportunity to usher in a new era in "native medicine."

With the aid of modern medical science, such as bacteriology, pathology and preventive medicine, and employing scientific methods, Dr. Li said, practitioners of "native medicine" can make great contributions to human welfare.

Responding, Mr. Chen Yu, chairman of the Committee, expressed the hope that with the establishment of the new organ steps would be taken to combine the two schools of medicine and to raise the standard of native medicine practitioners.

The committee adopted fourteen resolutions at yesterday's meeting. They included those calling for the standardization of native medicine schools, conducting special classes in hygiene for herb doctors and compilation of native medicine handbooks and establishment of a college for training of herb doctors.—Central News.

ENVOY'S DAUGHTER IN PLAY

Nanking, Mar. 9.

Miss Elizabeth Knatchbull-Hugessen, daughter of the British Ambassador to China, will play the leading woman's role in Sir James Barrie's famous fantasy "The Admirable Crichton," to be staged at the Amateur Dramatic Club on Thursday evening by the Nanking Women's Club to raise funds for its various social activities. Altogether three performances will be held, ending Saturday evening.

The Nanking Women's Club has decided to lay aside a sum of $500 from the proceeds of the three performances for building a playground for the city's poor children. The remainder of the proceeds will be appropriated for the various useful social service activities now undertaken by the Club.—Central News.

A GOVERNMENT OF PROFESSORS

Co-operative Scheme of Five Universities

Special to the "N.-C. Herald"

China's first district government manned entirely by college professors was quietly inaugurated one month ago at Tsininghsien, a district in Shantung south of Tsinan on the Tientsin-Pukow Railway.

The venture is a co-operative scheme of five universities which are receiving financial aid from the Rockefeller Foundation in New York, the institutions including Yenching, Tsinghua, Peiping Union Medical College, Nankai and Nanking Universities. They do not aim to produce a model district like Tinghsien in Hopei which was disbanded last summer largely because of Japanese pressure and non-co-operation of the provincial government. Instead, the aim of Tsining project is to provide a study ground and training centre for future rural workers.

As now organized, Yenching, Tsinghua and Nankai are sharing political authority, with Prof. Liang Chung-hua of Nankai as magistrate and Prof. Chang Hung-chun of Yenching as Secretary-General. These men have been granted leaves of absence from their universities to take up the new posts.

The four district commissioners are also academicians. Civil affairs are supervized by Prof. Lou Hsueh-hsi of Yenching; finance by Prof Chang Chin-chien of Nankai; reconstruction by Prof. Chang Yuen-wei of Nanking; and education by the magistrate, Mr. Liang Chung-hua. Actually, the educational work at Tinghsien is still maintained by the Rockefeller Board, and the educational training work for the present Tsining project will continue at Tinghsien in Hopei.

Rural Welfare Concentrated

All Rockefeller work for rural welfare in China is now concentrated under the newly organized North China Council for Rural Reconstruction, of which Mr. Y. C. Yen, former director of the Tinghsien project, is the Chairman of the Board. Under him is the committee for student training, headed by Prof. Franklin Ho, now political advisor to the Executive Yuan in Nanking. Two field directors have also been designated, Mr. Sun Fu-yuen at Tinghsien, and Prof. Chang Hung-chun at Tsininghsien.

The training centre has been so organized as to utilize the specialty of each of the five universities. Social administration, including census and archives, is directed by Yenching. Political administration and economic studies, which will include co-operatives, local finance, and agricultural economy, have been assigned to Nankai. The School of Agriculture at Nanking is to specialize in fruits and cereals. The Tsinghua engineering college will direct water conservancy, the P.U.M.C. all public health and Yenching mass education.

During this spring the professorial staff of this Shantung hsien will busy themselves with research work on local problems, preparatory to the opening of classes next summer. Possibly 30 students will be accepted at the outset, who will attend classes at the district capital, and spend a good proportion of their time in direct research. Graduate students remaining for a year or longer will be permitted to fill positions in subdistrict governments.

MR. WANG CHING-WEI DECORATED

Nanking, Mar. 14.

Mr. Wang Ching-wei, Chairman of the Central Political Council, has been decorated with the First Class Order by the Swedish Government.

This information was conveyed to Mr. Wang by Baron Hugo Beck-Friis, Swedish Chargé d'Affaires, who said that the medal will shortly arrive from Stockholm.—Central News.

CHANGLU SALT FOR JAPAN

Tientsin, Mar. 10.

An agreement providing for the shipment of 230,000 tons of Changlu salt to Japan this year at $2.40 per ton will be formally signed between Chinese and Japanese parties concerned to-morrow.

A verbal agreement has also been reached that the Japanese authorities pay $2 a ton to salt producers in the Changlu district as subsidies for covering the losses the latter sustained during the last few months.—Central News.

The installation of the nine-province telephone system is making progress, says the "Sinwanpao," and connections between Tsinan-Hsuchow and Hsuchow-Lienyun, are expected to be made within next month.

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WATER SHORTAGE IN SUTSIEN

Physicians Fear Epidemic May Break Out

From Our Own Correspondent

Sutsien, Ku., Mar. 6.

This part of China is now suffering from a very severe drought. While no accurate meteorological records are available, it is safe to say that the water supply is lower now than at any time in many years past. Most of the cities, towns and villages get water from shallow wells, ponds or ditches, which in the main are dry, and other wells are so low that the supply of water is pitifully inadequate. People crowd round the wells, but they can draw up only a little handful of water at a time, it is a wellnigh hopeless undertaking to fill a bucket. In some places, the water must be carried from a long distance.

In case all other ources fail, Sutsien is fortunate in being fairly near the Grand Canal, which still has plenty of water for the people to use, though not enough for satisfactory navigation. The distance from the canal, however, to most parts of the city is so great that the price of canal water is prohibitive, and the ordinary people will not buy it except as a last resort.

The usual source of supply is a lake in the old bed of the Yellow River. The river changed its course from this bed about 1852, but there is a lake opposite Sutsien, which at this season of the year should be about three or four deep. Now the lake has been dry for some months, and the water coolies have dug pits in the bottom of the river, ten or fifteen feet deep. A small quantity of liquid mud seeps into these pits, and the coolies dip it up with dippers into their buckets. This slimy substance is settled and used for water. Even with the precaution of boiling water for drinking, it will be strange if some epidemic does not break out.

As the spring is a dry season here, there is no prospect of relief until late June or July and unless unexpected rains come soon, there will be terrible suffering.

Festival Celebrated

On the 15th day of the 1st Chinese month, immense crowds of people swarmed into the city from all directions. Many processions came in from neighbouring villages, carrying banners, animals made of paper or cloth and alleged musical instruments. In the main streets, all traffic was blocked for hours by the multitudes. Of course there were no vehicles of any kind, even pedestrians could not make their way along the streets. For instance, a school teacher attempted to go home for lunch at noon, but was unable to reach his home; at last he bought some food at a restaurant and returned to school.

These crowds should afford material for an interesting study in gregarious aspects of psychology. Why do they come? How do they manage to enjoy it? The so-called entertainment furnished by processions would hardly be sufficient to amuse a normal ten-year-old child, unless he was labouring under some sort of excitement. Yet tens of thousands of people, of all ages and all degrees of intelligence, struggle with each other for standing room in the streets all day and part of the night; and seem to be under the impression that they are having a good time. No doubt the main attraction is the crowd itself. If the streets were almost deserted, perhaps there would be little pleasure in watching the processions.

One unusual feature of the celebration was the absence of idols in the processions. The civil officials had issued proclamations, forbidding the carrying of idols, on the ground that such superstitious practices are degrading to the people. It should be interesting to observe the development of this idea in the future.

Troops Return to Barracks

During the disturbance at Sian, the soldiers who had been stationed at Sutsien were moved elsewhere. Now they have returned, and it is to be hoped that they will resume their road building and other public works. They have a fine reputation for hard work and good behaviour.

For some time past, this section of country has been rather quiet and peaceful, free from the danger of large robber bands and kidnappers. Occasionally robbers try operations on a small scale, but such attempts are not always successful. Some days since, a bank messenger was in a town west of Sutsien, carrying $80. Four robbers set upon him, robbed him and apparently tried to kill him. He recognized the robbers and gave their names to the officers, but after a short time, he died from the effects of his injuries. It is reported that all of these robbers were captured and sent to some higher court, where they will probably be sentenced to death.

200 BANDITS RAID TUNGYUAN

Kidnap Large Number of Residents

From Our Own Correspondent

Harbin, Feb. 28.

Of the many incidents which have lately occupied the attention of the military authorities is the attack by about 200 outlaws on Tungyuan, situated on the Sungari, near the better known town of Chiamussu. Though exact details of the raid on the town have not been obtainable, Chinese residents of the district state that the attack was sudden and totally unexpected, the attackers setting fire to many houses and looting in every direction.

Information of the attack having been sent to the nearest military and police stations, punitive squads went quickly to render assistance, and after several hours fighting, drove off the outlaws. It is reported that 60 to 70 residents of the town were taken captive, among them being about twenty Japanese and three or four Harbin merchants. It is most unusual for such attacks to be made at this time of the year, before the trees can give cover.

Machine guns were used by the marauders, the firing being heard some distance away. This attack, following the seizure of a transport on the river and the murder of thirteen Japanese, who were surveying in North Manchoukuo gives the impression that the anti-Japanese detachments are working more boldly than they have done for many months.

Rise in Commodity Prices

The prices of clothing, foodstuffs and other daily necessities continue to rise, while there is no sign of any increase in wages or salaries to compensate for the increased cost of living. All cafes and restaurants are raising their prices, the popular Japanese sake having gone up 10 per cent. owing to the imported price from Japan having been raised Y. 4.50 per barrel. The Changchun "Shinkyo Nichinichi" says that although sake can hardly be called a necessity, it points out, and with some reason, that "there are not a few people among the poorly-paid who would be more affected by the rise of sake than anything else because they are the very people who take up drinking to kill the pressing melancholia in these difficult times."

Commencing to-morrow the new agreement between the Manchurian Telephone Company and the Seishin Post Office will come into force, and this will enable conversations to be held with the Korean seaport from any town in Manchoukuo where there is a telephone station. This will be a great convenience to merchants who are shipping goods viâ Seishin, or are receiving goods through that port, specially in the matter of beans export. The fee for three minutes does not in any case exceed Y. 3.

Produce Statistics

Staple produce carried over the Tumen-Chiamussu and the Hsinking-Tumen Lines to the North Chosen ports reached 360,814 tons between April 1, 1936, to January 20 this year, only 80,000 tons less than the estimated 400,000 tons for the business year starting April 1, 1936 and ending on March 31, 1937.

Judging from the current daily produce shipment, amounting to 3,000 carloads, total traffic may exceed by 300,000 tons the estimated amount by the end of March.

Goods shipped to the North Chosen ports by way of Tumen in ten months from April last year to January this year amounted to 423,796 tons, of which 257,845 tons were shipped over the Hsinking-Tumen Line and 165,951 tons over the Tumen-Chiamussu Line, showing an increase of 57,425 tons as compared with the corresponding period in 1935/36.

Goods shipped to the Hsinking-Tumen and the Tumen-Chiamussu Lines from the North Chosen ports by way of Tumen in the same period reached 108,726 tons, of which 35,913 tons were carried by the former line and 72,813 tons by the latter, a joint decrease of 35,667 tons as against the previous term.

NO HUANGHO FLOOD THIS SPRING

Nanking, Mar. 14.

Assurances that the Yellow River valley will be immune from spring floods were contained in messages received by the Yellow River Conservancy Commission. Although thaw has set in, it is stated, the flow of the river is steady and there is no cause for alarm as all necessary precautions have been taken along the river.—Central News.

More than $50,000 worth of opium and other drugs seized in Tientsin during last year was burned on March 11 by order of the Commissioner of Customs.

LITTLE PROGRESS IN NORTHERN KIANGSU

Church Survey Reveals Unexpected Facts

From Our Own Correspondent

Hsuchowfu, Ku., Mar. 4.

The churches in the neighbourhood of this city recently completed a survey of social conditions and revealed several startling and unexpected facts. It was shown that there were only six Government schools (enrolment of 160 students) in an area of 100 square miles with a population of 40,000 people and a single newspaper in a town of 4,000 inhabitants. There was no New Life Movement, nor any mass education among 40,000 farmers, while road building had lapsed.

The cash value per mow of the chief crops runs from $10 to $20 per mow per annum, with peanuts the best paying crop. Transportation of grain to the nearest city costs 85 cents per 100 catties. It is carried by donkeys, owing to the bad roads. Railway rates are prohibitive.

The community is as yet uninfluenced by the fine Government agricultural station near this city. Mails come once in every five days. The maximum land tax is 30 cents per mow.

More Favourable Picture

These conditions may not indicate progress, but there is a brighter side to the picture. Absentee landlords are few and 76 per cent. of the farmers own the land, which they cultivate, while the pao-chia system is working efficiently. Though a few years ago robber bands were numerous and the people lived in terror of their lives, bandits have been put down and law and order now prevails. Taxes are no longer paid years in advance and squeeze has been largely eliminated. Every family and individual has been registered. It is commonly said that although last year's crops were largely failures owing to the floods, and though the people are able to afford wheat flour, yet not more than five per cent. really go hungry or are undernourished.

The little church situated in the centre of this section, under survey, is showing remarkable vitality, as a result of many years growth. While the estimated percentage of illiteracy for the whole population is 95 per cent. for men and 99 per cent. for women, the actual illiteracy among the church membership is less than 30 per cent., though one third of the membership consists of people over 60 years of age. The church is self-governing and is rapidly becoming self-supporting. A number of members contribute one tenth of their incomes to religious and philanthropic causes.

This church is housed in what was formerly the largest temple in this section. The priests sold it some years ago, and it has been renovated and makes a fine church and school. The four-year government school in this, the largest market town, enrols 20 pupils with one teacher. Tuition is free. The church school enrolls 60 children in six grades with three teachers and charges tuition from $2 to $8 per year.

Some years ago the mission hospitals, 30 miles distant, operated a semi-weekly clinic in the church in an effort to stamp out the deadly Kala Azar. The church has little in the way of a social programme, which leaves much to be, however, desired.

AMUR GOLD DEPOSITS DISCOVERED

Harbin, Mar. 14.

A group of Japanese promoters today revealed their plans to form a Y.5,000,000 concern to mine gold and silver along the Amur River. Prospecting parties, they claim, have discovered rich deposits in sixteen places along the river. These lots, they said, would be purchased for about Y.250,000.—Domei.

CHINESE LAUNCH PIRATED

Chinkiang, Mar. 15.

The Chinese steam launch ss. Feng Chien, operated by the Fu Yun Shipping Co. here, was pirated yesterday while en route from Chinkiang to Chingkiangpu. The outlaws boarded the vessel and made a systematic search of the boat and passengers before they decamped. It is reported that a large number of mail bags are also missing. The provincial authorities are now investigating the case.—Central News.

According to reports in the Chinese press, tests now going on in the Shanghai office of the Government Radio Administration, for a radiophone service with American and European cities are proving satisfactory. It is expected that announcements for regular traffic will be made in the near future.

CAR ROLLS DOWN EMBANKMENT

Yunnan Motorist Escapes with Few Injuries

From Our Own Correspondent

(By Air Mail)

Yunnanfu, Mar. 7.

Fortune attended Dr. L. Mouillac, of the French Hospital, last Sunday when he came through a serious motor accident with only slight injuries. Driving on the excellent motor road to the west of the province a defect in the mounting of one of the front wheels caused his car to skid and before control could be regained to roll over two complete rolls down the embankment.

A servant with him fared much worse, but is reported well on the road to recovery. There have been comparatively few accidents in Yunnan since motor transportation increased to the present proportions, but with the mountainous nature of the country extreme carefulness is required to avoid accidents.

Preparations on a scale seldom seen in Yunnan are being made for the coming visit to Kunming of the Central Government motor caravan next month. It is reported that 80 leading officials will make the trip, accompanied by technical staff of about 100.

They plan to leave Nanking early in April, driving over the completed road through Chekiang, Kiangsi, Hunan, Kweichow and Yunnan. Individual cars have made the trip before but this will be the largest group to date and will mark the official opening of the highway.

Yunnan Y.W.C.A. Activities

A large meeting is being held today as the organization meeting of the Yunnan Nu Ching Nien Hui. Preparations have been afoot for several months, led by Mme. Lung, wife of Governor Lung Yun. The programme has been investigation of social conditions, twice monthly meetings and planning of future activities.

It is hoped to make the local organization a part of the National Y.W.C.A. as soon as possible. Being the first city-wide movement of women in Yunnanfu it is being watched with interest and good wishes are general that it may be a rallying centre for developing leadership among women here.

The death occurred on March 2 of Mr. Kao Hsien-nan, managing director of the Yao Lung Electric Light & Power Company. Mr. Kao was past president of the Chamber of Commerce and a member of the Yunnan International Famine Relief Committee. Improvement in electric service has marked the comparatively short administration of Mr. Kao. The system is gradually being changed from 110 to 220 volts, added dynamos are being installed at the water-power plant of the company, and more efficiency in lights has been the result.

SEVENTEEN KILLED IN THEATRE TRAGEDY

Hankow, Mar. 10.

Seventeen persons, including four women and two children, while watching a performance, were killed as one of the walls of the Paoshan Theatre collapsed. Scores of others were injured.—Central News.

OFFICIAL JEALOUSY IN CHUNGKING

Rival Groups' Barricades and Pill-Boxes

From Our Own Correspondent

Chungking, Mar. 5.

Although there have been official assurances that all is well, and in spite of the fact that the opposing officers have held a couple of "love-feasts," there is a general feeling that all is not well between the provincial and Central Government forces. Each keeps a watchful eye on the other from carefully constructed barricades, pill-boxes and trenches on all approaches to Chungking.

Citizens have been alarmed twice by a sudden zeal for target practice during the night, and the government banks are becoming a little restive over the number of provincial bank subsidiary currency notes which are appearing on the market. There seems to be some strenuous diplomatic work ahead of Mr. Ho Kuo-kuang who has in the past, however, succeeded in pouring oil on the troubled waters.

The sub-committee of the International Famine Relief Committee met to-day and was attended by prominent members of the Chinese and foreign business community. It was resolved to make a strenuous drive to raise nearly one quarter million dollars. In the meantime efforts will be made to bring 120,000 piculs of rice into the province soon. The bulk of the financing will be done by the Bank of China.

The poor relief undertaken by the churches co-operating with the Police Office has attracted large numbers of poor and beggars from outlying districts. It has been impossible to care for any but a small percentage of these, with the result that the death total among the indigents for January and February has risen to the record height of 3,000.

Kungling Passage Blasting

The Yangtze continues to drop, having reached the level of one foot and a half below zero. With the exception of a few small Ming Seng Co. boats, all shipping is at a standstill. These gallant little craft continue to fight the rapids and even to warp over the Chintan which is reported to be a veritable waterfall. The famous Kungling passage, grave of so many steamers, is due to be blasted on March 6.

An amusing incident from Suining illustrates the influence of old superstitions connected with using words of the same sound but different meaning. A group of women carrying lighted incense sticks walked along the street as if on their way to worship in a temple. To the surprise of the observers they suddenly turned into the courtyard of the civic authorities and set fire to the flagpole. They gave as their reason the fear lest the gods should mistake the ceremonies connected with flag-raising for rejoicings over the long drought now threatening their lives. The connection lies in the fact that the characters for flagpole have the same sound as those for complete dryness. A common illustration of the same superstition is the fact that no sailor by the name of Chen, which has the same sound as the word "to sink," is ever called by that name on a ship.

DRINK

AGE—QUALITY—ECONOMY

IN

PETER

DAWSON

WHISKY

Agents

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TSINGTAO'S VARIED ACTIVITIES

Racing Standards Unavoidably Lowered: German Community Reorganizes

FROM OUR OWN CORRESPONDENT

Tsingtao, Mar. 4.

The festive spirit this winter did much to make time pass quickly, as a succession of national and international dances at the Club and the cafes and that comparatively new "vice" of Tsingtao's, the cocktail party, seemed to make the weeks fly by and taking us into the spring, which seems to be here, sooner than it seemed possible.

Nobody is regretting it, however, as soon Tsingtao will see the green shoots sprouting in the grass, trees and shrubs, which in a short space will turn this present seemingly leafless and lifeless town into a glorious garden again, with the apparently bleak mountain slopes gorgeously green and enabling all to enjoy outdoor life and excursions in the exhilarating spring weather and unmatchable scenery of this garden city.

Last week the Race Course paddock resembled a miniature rodeo as 157 ponies were measured preparatory for the new season. Among them was a batch of 97 new subgriffins which arrived a short while ago—purchased in December from a Japanese dealer. One of the terms of the purchase contract was that no pony should be less than thirteen hands, but on completing the job of measuring, it was found that fully 40 per cent. of the 97 were "donkeys" and below the minimum stipulated height, but in view of the shortage of ponies for racing, it was decided to accept these, though the members of the club were very disappointed and dissatisfied with the deal.

Whereas the tendency in present day racing is to improve the stock, the dealer in this instance seems to have put one over on the Race Club. The Club anticipates a registration of about 270 ponies racing this season and which commences with a one day meeting on March 14.

New German Association

On February 15 members of the German community met in the vestry of the German Church and reached decisions of fundamental import. It was unanimously decided to dissolve the old Deutsche Vereinigung in order to commence the new community organization to include all Germans in Tsingtao, based on Nationalist Socialist principles and to be known as the Deutsche Gemeinde. Mr. W. Ohlwein, leader of the local Nazi Party, presided and Mr. S. Lahrmann, leader of this party's organization in China was an honoured guest.

The constitution of the Deutsche Gemeinde is based on the Fuehrer system. The leader of the Gemeinde is nominated by the leader of the local Nazi party and Mr. W. Dohse was duly appointed by Mr. W. Ohlwein. The old committee of the Deutsche Vereinigung then retired and were thanked by Mr. Dohse for the good work done by them in the past.

Tsingtao's is the second German community in China to adopt these new community principles, Peiping's German nationals being the first. Other German communities will follow but due to the international character of some of the German clubs in Shanghai and elsewhere, it is not easy to organize a matter of this nature so facilely as has been done in Peiping and Tsingtao.

The headquarters of the local Deutsche Gemeinde are at the new German Club which will be completed early in May and on which site are also situated the new German school and the old German church; thus the German community here will have their main buildings localized and centralized with the German Consulate only a stone's throw away.

Memorial Service Held

Herr Bohler, who has been appointed a Minister of the German Foreign Office is in charge of the activities of all Germans abroad. The Deutsche Gemeinde held a memorial service on February 21 in memory of those nationals who gave their lives during the Great War. Services were held in Christ Church and at St. Michael's Cathedral and wreaths were then laid at the cemetery on the graves of those who fell during the siege of Tsingtao.

The German community then proceeded to their mountain retreat, Braunes Haus, where they partook of their monthly one-dish meal, the Eintopf Essen, and a collection was then made for the winter relief fund in Germany.

On Sunday, at 10.30 a.m. the Hitler Youth Organization assembled at the German School to celebrate in a simple manner the birthday of the leader of the Hitler Youth Organization, Mr. Baldur von Schirach. Dr. Erich Voigt, local leader of the organization, gave a short and inspiring address after which a minute of silence was observed in memory of those members who were killed in founding the movement against the Communist organizations. The ceremonies were closed with the singing of the Hitler Youth song "Vorwaerts, Vorwaerts, schmettern die hellen Fanfaren."

Last Paper Hunt of Season

The last paper hunt of the season was held on Sunday. There were thirteen starters in this handicap race which was won by Mr. R. R. Eckford, with Miss Gwen Napier second, and Miss Clifton, headmistress of the American School, third. The annual handicap race for the Jorrocks Cup which is twice round the Race Club track, complete with hurdles, will be run towards the end of this month and the Hunt Club dinner will take place about the middle of the month.

The local Administration has completed arrangements for borrowing $6,000,000 urgently required for extending docking facilities and waterworks. The money was raised through the co-operation of Mr. T. V. Soong and the Shanghai banks. The Harbour project alone will cost about $1,600,000 and the waterworks extensions perhaps more.

Two bids for the former job are under consideration, one by a Chinese concern who built the local drydock not so long ago and the other by a Japanese company. These large undertakings show in no uncertain spirit the faith the local administration has in the future and further development and requirements of this growing seaport. Those lending the money must have equal faith in Tsingtao.

Washington Birthday Observed

The Washington Birthday Ball given by the American Community at the International Club on Monday was a great success. There were about 400 present. Cocktails were served at 8 p.m. in the ballroom and at 9 p.m. all went downstairs to partake of a feast of American dishes. The tables were literally groaning with a conglomeration of delicious "homemade" eats to delight and satisfy even the demands of a Lucullus.

Small tables were arranged throughout the rooms of the lower floor lighted with red candles and the entire scheme of decoration was simple but effective. Lamps were shaded with a subdued red effect. The walls were draped with American flags of various sizes and banners and shields with the American star-and-stripe design and paper frills of red, white and blue added to the general scheme, while a large picture of the great American statesman was hung at one end of the ballroom. Music and dancing continued until the wee sma' hours of the next day—a truly wonderful evening.

The American idea of wining and dining before dancing was good as it seemed to have absorbed and fused all the various "cliques," and brought everybody together into the democratic folds of the United States of America to enter into the spirit of the thing—which was what everyone did and had a jolly good time altogether. Mr. Sokobin, American Consul, and his wife and Mr. and Mrs. Henry Zimmerman were the reception committee who immediately put all guests at their ease.

Club Annual Meeting

The annual general meeting of the Tsingtao International Club was held on Feb. 24. The question of whether to merge with the Yacht Club and take over their new premises, also the addition of an upper storey to the Beach Enclosure was discussed and left for a special committee to look into. The following new Committee for 1937 was elected:—Chairman Mr. F. Nauert (German), Vice-chairman Mr. Y. Hanawa (Japanese), Hon. Sec. Mr. H. Zimmerman (American), Treas. Mr. W. Lyttle (British) and the General Committee of Messrs. K. R. Fischer, K. Ishii, F. G. Keeffe, Y. F. Lee, H. C. Pope, C. G. Telberg and C. Y. Yik.

The Balloting Committee was chosen as follows:—Messrs. T. Adams, E. H. Gordon, T. Kohmuchi, J. S. Ku and P. Kutt.

Mr. and Mrs. F. A. Fairchild entertained a cheery throng of about 200 guests to one of the largest cocktail parties held here. The venue of the celebration was the ballroom of the Club and the occasion was the 25th anniversary of Mr. Fairchild's arrival in China, since when he has achieved the distinction of being known as the "Bristle King" of Tientsin. He is fast achieving the same cognomen here as he is one of the largest bristle exporters from Tsingtao, where he has been resident for the past four years. Mrs. Fairchild is the possessor of a fine singing voice and is an asset to the local Philharmonic Society.

The final of the Tsingtao Club's pairs bowling handicap was played off on Feb. 21, Messrs. F. C. Bardens and U. Ulf-Hansen beating Messrs. Handley-Derry and Sokobin, the British and American Consular pair. The final of the Club's ladies bowling handicap was played on Sunday and resulted in a win for Mrs. Newcomb over Mrs. Draper of the U. S. Consulate.

More Railway Equipment

Due to increased traffic and the present inadequate equipment, the Kiaotsi Railway will be purchasing an additional seven locomotives and 300 wagons to supplement their present rolling stock this year.

Prof. C. P. Chung, proprietor of the Tsingtao Pharmacy (late Watsons) has recently been honoured by the Lions Club by the presentation of a special badge from U. S. A. Headquarters for the unique record of never having missed or been late to a single one of their fortnightly tiffin meetings. He has been a member of the club since its inception here, ten years ago and a 100 per cent. attendance and punctuality record for a decade deserves a special badge.

H. M. S. Grimsby, sloop of 600 tons, commanded by Cdr. H. F. Nalder arrived here on Feb. 22 and remained until the 26th. A programme of sports and socials was arranged for the officers and men who had an enjoyable stay. The hockey and soccer teams of the sloop were victorious in all their games with the local teams.

Admiral Shen Hung-lieh, the Mayor, after attending the Plenary Sessions of the C. E. C. at Nanking, flew to Hankow on February 1 to worship at the family shrine. He will be back in Tsingtao shortly.

Mrs. Cox whose husband is with the Chartered Bank in Shanghai, is in Tsingtao at the moment and is looking for a bungalow at Hsia Huk where she will stay this summer.

Mr. and Mrs. George Bloom arrived here from Shanghai the other day complete with Baby Austin and household furniture and have decided to retire here. Mr. Bloom was formerly with the S.M.C. Health Department and it is felt that he will not regret the day he decided to make Tsingtao his home.

MIAO TRIBESMEN SEE FIRST MOTOR CAR

Hunan Highway Dependent on Their Approval

FROM OUR OWN CORRESPONDENT

Hankow, Mar. 1.

Miao tribesmen of Hunan are as skeptical as the proverbial Americans from Missouri, according to Chinese engineers just arrived here after completion of a new highway through Miao country.

It seems that in March, 1936, when surveyers were laying out the route for a road to link the Changsha-Chungking and Changsha-Kueiyang highways in western Hunan, they came upon a tribe of Miaos in the mountains. The engineers offered to purchase the land for a highway with paper currency, but the tribesmen had heard of neither roads nor banknotes.

After examining the paper money carefully, the tribe elders asked what they were worth. One surveyor explained in Chinese that a green piece of paper was worth 25 catties of rice, while a red one would buy only one fifth as much. Then the chiefs asked how the paper was made, and the printing press was explained to them. The chiefs held a meeting, and decided that if the engineers had an extra money-making machine along with them, they would prefer a machine instead of the green and red paper. (Inflation seems to be a tribal instinct).

No Pig in a Poke

After a week's negotiation the chiefs were satisfied that the engineers would bring goods which could be bought with the paper, but first they insisted that a short stretch of highway be built at the edge of the village as a sample, to make sure that nothing evil could come from the strange idea of a flat stone surface. They had never seen a wagon or wheelbarrow or wheeled instrument of any kind, much less a road for it to run on.

Finally the road was commenced from the north and south simultaneously, and as the construction work approached the Miao territory, the tribesmen became frightened from rumours of a black cage that roared like thunder and flew like the wind along the flat surface that was going to pass their village. Engineers invited the chiefs to travel 40 li to the nearest roadhead, and see for themselves what a harmless creature the motor car is. The chiefs would have none of it, and threatened that unless a car were brought to their village immediately, and explained to them, they would attack the workers.

The engineers had no alternative but to hire 36 coolies to pull, push and carry a light European car over 40 li of rough hill country, right into the Miao village, where the chiefs sat in the upholstered seats all day, honked the horn, played with the lights and decided that motor cars are rather nice things to have round.

HUSBAND SELLS WIFE FOR $75

Woman Bargained to Raise Capital for Shop

Nanking, Mar. 13.

Sun Ting-chun, an aged farmer who recently went to visit his married daughter but found that the son-in-law was not the one whom he had seen or blessed at the wedding has started a unique lawsuit in the local court at Kuli village near here.

Several years ago Sun's only daughter was married to one Chiang Liang-ju. The couple had lived happily together until Chiang became so frantic that a few weeks ago he sold his wife to a carpenter for $75. He left for a "big city" where he is reported to have started a shop.

Although the woman did not protest against the "sale marriage" and was living satisfied with the carpenter, her aged father insists that there is "something funny" about the whole matter and has asked the officials to help to settle this unorthodox matrimonial tangle.—Central News.

"MARRIAGE DAY" PROPOSED

Chance for Children to Speak to Parents

Peiping, Mar. 12.

Mr. Liu Hsi-lien, Executive Secretary of the Peiping Public Welfare Association, has telegraphed to Madame Chiang Kai-shek and Madame Feng Yu-hsiang urging them to take the lead in suggesting to the National Government that a day be set aside for the discussion of the great problem of marriage between parents and their children.

Mr. Liu suggests that either March 3 or September 9 be set aside and observed as Marriage Day. He says that the idea of observing such a day is to enable sons and daughters to have an opportunity of discussing their "life problem" with their parents.—Reuter.

THE Hopei Provincial Bank has requested the Hopei authorities to effect the arrest of Fan Shao-chang, a clerk of the Ningchin branch of the bank, who is alleged to have absconded with more than $40,000 of public funds.

In China To-day

CHANG Chung-sui, who was convicted for circulating counterfeit notes for a certain foreign special service bureau, was shot on March 10 by authority of the 157th Army Division at Changchow.

MR. Yin Tung, formerly managing director of the Peiping-Liaoning Railway, who retired from the political limelight in 1935, is organizing a company at Tsingtao to undertake the development of Shantung industries.

THE Yenping (Fukien) and Kweichi (Kiangsi) section of the proposed Foochow-Nanchang Railway, connecting the capitals of the two provinces, will be built shortly, says a Foochow report to the local press.

NINE truckloads of narcotic and opium-smoking paraphernalia were burned in public on March 11 by the Canton opium-suppression authorities. The burning took three hours in view of the large amount of the articles.

To develop the coal mines in Lungyen, west Fukien, the provincial authorities at Foochow have recommended to the National Economic Council, the building of a light railway between the mining district and the coast.

THE Szechwan-Hunan highway, construction work on which is nearing completion, will be thrown open to traffic on April 1. Through traffic between this line and other highways in Hunan will be inaugurated next month.

To further develop the alum industry in Chekiang, especially in Pingyang, the Chekiang Provincial Government will appropriate $2,000,000, says a Hangchow report. This mineral, which is used for dyeing purposes, is being exported through Wenchow.

A NEW railway bridge costing around $2,000,000, which will span the Kan River near Nanchang, is now being planned by the Chinese authorities. The structure, when completed, will connect the Nanchang-Kiukiang Railway with the Chekiang-Kiangsi and Nanking-Kiangsi Railways.

WITH the completion of a sericulture experiment station in each of the districts of Nanhai, Chungshan, and Shunteh, there are now five such establishments in Kwangtung, once a prosperous silk producing area. The improvement of coccoons is one of the many steps now being taken for the revival of the industry.

IN honour of the late Mr. Tang Tsai-shang, a follower of the constitutional movement, who in 1900 failed in the revolution against the Manchus in Hupeh, the National Government on March 13 unveiled a monument in Hankow. General Huang Shao-hsiung, Governor of Hupeh, represented General Chiang Kai-shek at the ceremony.

MATERIAL damage of at least $300,000 has been wrought to various national highways in the northwest as a result of the recent Sian-Kansu crisis, according to Mr. Tseng Hsiang-chuen, director of the National Highway Administration in the Northwest. The Administration, he said, has petitioned to the National Economic Council for funds to repair the damaged roads.

JAPANESE in Tientsin, subsidized by the cultural promotion department of their Foreign Office at home, have bought over 400 mow of land in Tungloutuan for the establishment of an agricultural experimental station. Japanese and Koreans are being employed at the station and they will study cotton raising and rural economy with a view to offering assistance to Chinese farmers in North China.

REPORTS from Sining, Chinghai, says the "Min Pao," state that Lishapao, in North Kansu, has been recaptured from the Reds. More than 200 men with their arms were captured in the struggle.

THE provincial government of Kwangtung is considering a plan of reconstruction for the next three years. It will call for an expenditure of $20,000,000 and will include the readjustment of local finance and taxation.

As recommended by the 3rd Plenary Session of the 5th Kuomintang Central Executive Committee, the National Government has instructed the departments concerned to take steps towards the ultimate abolition of extraterritoriality and to negotiate with the foreign governments concerned.

THE Hupanshih Rock at the foot of Lishan near Lintung where Gen. Chiang Kai-shek shielded himself from the rebels on December 12 last at the outbreak of the Sian mutiny will be kept as a famous landmark. High government officials are soon to erect a tablet and a pavilion near the rock.

NOTABLE achievements in the opium suppression campaign have been made in Kiangsu during the last year under the guiding hand of Mr. Chen Kuo-fu, Chairman of the Kiangsu Provincial Government. According to official statistics, altogether 158,525 persons in the province have been cured of the habit.

A GROUP of Wuhu farmers has secured a piece of land of 20,000 mow to plant 1,000,000 tung trees and saplings at the foot of Huangshan, a famous scenic spot in Anhwei. The Anhwei Provincial Government has also marked off two vast afforestation districts in the southern part of the province for planting lacquer trees.

IN accordance with the Chinese Government regulations that all radio stations in the country, public or private, be registered, the Chinese Central Radio Station at Nanking has complied with the order. This station is the first to do so and has been awarded a certificate, "Special, No. 1," with the seal of the Ministry of Communications.

SMUGGLING of sugar by ronins of a certain country in Canton has greatly affected the regular trade, says the "Lih Pao," and Canton reports state that merchants have taken steps to petition the Ministry of Finance to put up some special preventive measures to improve the situation.

THE ten-day performances given here recently by Mr. Mei Lan-fang has made it possible for the Nanking Health Station to open another hospital for the poor. The projected hospital will be financed by part of the proceeds of admission tickets amounting to $5,896, handed over by the State Theatre, where Mr. Mei's performances were held.

REPLACEMENT of the light rails on the Hangchow-Yushan section of the Chekiang-Kiangsi Railway with standard guage rails, will be started next month and completed towards the end of September. Through traffic between this line and the Canton-Hankow and Shanghai-Hangchow-Ningpo railways, is expected to be inaugurated on or about October 10 next.

A MEMORIAL service for sixteen employees of the Lunghai Railway, who were killed in the Sian mutiny last December, was held at Chenchow, Honan, on Mar. 8. More than 500 representatives from various organs, including Mr. Chien Tsungtseh, managing director of the railway, were present. It is revealed that 33 others were also severely injured during the trouble.

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NEWS FROM JAPAN

JAPANESE SYMPATHIZE WITH CHINA

Statement by New Foreign Minister in House of Peers: Negotiations May Start Afresh

Tokyo, Mar. 8.

Sympathy and appreciation of China's aspiration for equality with foreign powers was expressed to-day by the Foreign Minister, Mr. Naotake Sato, in his "maiden" speech before the House of Peers.

Warmly applauded by the Chamber, Mr. Sato called for the reopening of Sino-Japanese negotiations "in a spirit of equality and reciprocity."

"It is necessary," he declared, "to begin the negotiations afresh, to break the present deadlock, and to conduct the negotiations in a heart-to-heart fashion."

Turning to Anglo-Japanese relations, Mr. Sato said that despite the Government's desire to maintain friendly relations with Great Britain, "there has regrettably been a large number of clashes between the economic and commercial interests of the two nations."

Such clashes, the Foreign Minister added, have taken place in "many places, and especially in the Chinese market."

Co-operation Needed

"It is inadvisable for Japan," he declared, "to cause nations interested in the development of China unnecessary misgivings and irritation. On the contrary, Japan must advance her interests peacefully, through co-operation with other powers.

Questioned by Viscount Kiko Ohkawachi regarding "measures taken to break the deadlock in Soviet-Japanese relations," Mr. Sato admitted the need for "ensuring new developments" in the present state of affairs.

Mr. Sato explained the circumstances which led to the conclusion of the German-Japanese anti-Comintern agreement, described the "baneful" activities of the Third Intertional, and declared that "our relations with Russia would be greatly clarified if the Comintern disappeared from the Soviet Union."

"Three-Point Programme"

Mr. Sato said that he will attempt to ensure the continuity of the Government's foreign policy by examining Mr. Koki Hirota's "three-point programme" in the light of views expressed by the Premier, Gen. Senjuro Hayashi, in his concurrent capacity as Foreign Minister, in his speech before the Diet on February 15.

He added that he would "follow any parts of the policy of the Hirota Cabinet that can be retained."

Mr. Sato's speech served as a confirmation of earlier reports, secured by Domei from authoritative sources, that he would reconsider Japan's policy towards China in the coming few weeks.

As a first step in this direction, Domei was informed, the Ambassador to China, Mr. Shigeru Kawagoe, will be ordered to return to Tokyo to make a comprehensive report to Mr. Sato on the current developments in China.

Mr. Kawagoe's report, as well as the views of the Ministers of War and Navy, will be Mr. Sato's main guiding posts in reformulating Japan's attitude towards her neighbour.

Mr. Sato, it was learned, is sympathetic towards China's reported desire to abrogate extraterritorial rights and various so-called "unequal treaties." He, however, believes that China must regulate her judicial system before foreign powers can dispense with the extraterritorial rights.

The new Foreign Minister, it was further emphasized, believes that the readjustment of Sino-Japanese relations should form the main item in the Gaimusho's new plan "to bring diplomacy back to normal channels."—Domei.

"Nothing to be Ashamed of"

Tokyo, Mar. 11.

Japan's foreign policy is "nothing to be ashamed of in public," Mr. Sato declared in the House of Representatives to-day.

"It goes without saying that our policy is to respect the independence of China and Mongolia," the Foreign Minister said in reply to a series of pointed interpellations.

"Our relations with China" Mr. Sato continued, "have reached such a point that my very ordinary assertion that we should deal with China on a basis of equality caused an extraordinary shock.

"I do not believe that we should show hesitancy in pressing our minimum demands so long as our attitude towards China is just," he said.

"Third states will have no reason to be suspicious under such circumstances, and I believe that China will feel the same."

War Danger Scouted

Mr. Sato said he did no believe that the danger of war in Europe was as serious as generally described.

"Together with the elements making a war possible there are those gravitating against conflict," he remarked. "Among the latter is public opinion."

Replying to a question regarding the much discussed German-Japanese pact of November 25, Mr. Sato emphasized that the purpose of the accord was to forestall the activities of the Communist International.

No Fascist Bloc

"It would be unjust to state that we joined Germany in a Fascist bloc," Mr. Sato asserted.

The Foreign Minister, however, admitted that the accord had led to "misunderstandings" by other Powers, but minimized the possibility that it might lead to a rupture of relations with other nations.

"I am confident that this accord will not drag our nation into an European conflict," he declared.

Comintern Difficulty

"People have commented that my hope that the Soviet Union would dissociate itself from the Comintern was totally unfounded," the Foreign Minister declared. "I agree with them. And so long as a peculiar organization like the Comintern continues to exist, I believe that nations will have to take exceptional measures. The concern of various nations would be automatically eliminated by the disappearance of the Comintern.

"Inasmuch as Japan and the Soviet Union are neighbours, difficulties are bound to arise regardless of whether or not there is a Japanese-German agreement. But I believe that if we both act in good faith, a solution will not be hard to achieve,

China Negotiations

"Regarding China, I intend to pursue negotiations after we have mutually exchanged views regarding our respective contentions and the points about which we are concerned.

The word 'crisis' should apply to every nation if it implies a difficult situation. But I do not believe that we should be unnecessarily anxious by assuming that it applies solely to Japan. Judging from our national organization and from our national characteristics, I am of the opinion that we should not be unnecessarily worried.

"It rests with Japan whether or not this crisis will become a war," Mr. Sato declared among loud applause.

"If Japan makes up her mind, she will be able to avoid that crisis," he continued.

"I wonder why Japan being a great nation, does not take a dignified attitude," Mr. Sato said. "As soon as she abandons petty stratagems and proceeds openly and freely she will gain the confidence of her own people."—Domei.

Policy Unchanged

Tokyo, Mar. 12.

Despite previous indications of an important change, Mr. Sato, has revealed beyond question that his China policy does not differ materially from that of his predecessors.

In a speech in the Lower House last night, Mr. Sato:

1. Endorsed the "three basic principles" towards China enunciated by Mr. Koki Hirota when Minister for Foreign Affairs.
2. Declared that Japan had no intention of taking up Manchoukuo, which he described as a *fait accompli*, as an issue between Japan and China, even if fresh negotiations were to start between the two countries.
3. Pledged adherence to the Open Door policy in Central and South China, which, by implication, suggests that Japan has no intention of abandoning her idea of special interests in North China.

Japan's Minimum Demands

He saw no necessity of revising Japan's fundamental policy towards China and only wanted to review the methods for pursuing that policy. He intended having a free and frank exchange of views with the Chinese Government on China's contentions and let China know Japan's minimum demands from which there could be no retreat.

"Japan unexcepted, every country in the world now faces strained international relations which can be overcome. A true crisis, namely, war, depends on Japan's mental attitude. I firmly believe that a crisis in this sense can be avoided or courted at any moment by Japan, as she wishes."

Government circles declare that they do not see any discrepancy of views between the Foreign Minister and the Premier in their pronouncements on Japan's China policy, as the Premier in the Lower House on February 17, said that the situation between Manchoukuo and "adjoining countries" was so tense that "it may burst out at the first ignition, at any moment."

The Premier, however, on that occasion reviewed only the local situation, with Manchoukuo as the centre, while the Foreign Minister, yesterday dealt with the general international situation.

At a joint conference this afternoon the Premier, the Foreign Minister, and Ministers of War and the Navy, decided there was no difference of views between Gen. Hayashi and Mr. Sato.—Reuter.

Past Stand Not Criticized

Tokyo, Mar. 13.

Responding to additional questions in the House of Representatives to-day the Foreign Minister, Mr. Naotake Satoh, said, "When I advocated the pursuit of a dignified course, I did not mean to criticize our past attitude." He added he did not intend in any way to imply that the "co-operative" diplomacy, which he urged, meant that Japan should yield in the face of provocations. He said also that he never meant that Japan should assume an attitude of humiliation in dealing with China.—United Press.

Mr. Sato's Utterances Criticized

Tokyo, Mar. 14.

A conference of smaller parties of the Lower House of Parliament to-day failed to agree to a proposal to introduce a resolution in the Diet expressing a lack of confidence in the Foreign Minister, Mr. Naotake Sato, because of their dissatisfaction with his statement of Japan's foreign policy.

Some prominent party members said here to-day that Japan's foreign policies were weakening. They also openly asserted that Mr. Sato talks too much.—United Press.

LIEUT. A. Santa Clara, A.D.C. to Dr. J. Pereira Barbosa, during Dr. Barbosa's term of office as acting Governor of Macao, has left Macao, accompanied by Mme. Santa Clara and their little girl. Mme. Sofia Cordeira, Mme. Santa Clara's mother, has left Macao with Lieut. and Mme. Santa Clara, bound for Portugal.

PERPETUAL LEASES TO END

Settlement of Vexatious Question Approved

Tokyo, Mar. 8.

Marking a definite step towards an early solution of the thorny perpetual lease question, a special committee of the Privy Council to-day examined and approved an Anglo-Japanese agreement for a settlement of the issue.

The accord provides for the abolition of perpetual leases held in the former foreign settlements of Kobe, Yokohama and Nagasaki by British subjects and their substitution by titles of ownership or ordinary lease.

A similar agreement has been negotiated with the United States.

Mr. N. Sato, the Foreign Minister, explained the contents of the accord before the committee. Final sanction will be given the pact at a plenary meeting of the Privy Council attended by the Emperor.

Mar. 9.

Moving to remove the last remnant of days when foreigners enjoyed extraterritoriality in Japan, the Foreign Office will soon initiate negotiations with eight nations for the rendition of the permanent leases held by third citizens in this country.

Similar conversations with Britain and the United States have already progressed to the point where an accord will soon be signed.

Included among the nations to be approached will be China, France, Italy, Belgium, the Soviet Union, Switzerland, Denmark and Portugal.

A special committee of the Privy Council yesterday examined and approved an Anglo-Japanese agreement for a cancellation of perpetual leases held by Britons, and their substitution by titles of ownership of ordinary leasehold.

The accord will be submitted to a plenary session of the Privy Council on March 17, which will be attended by the Emperor. The accord will then be signed in Tokyo and published.

The new accords provide for the abolition in 1942 of the system of perpetual leases secured by foreign settlers in Kobe, Yokohama, and Nagasaki in the 'seventies. These holdings were exempt from taxation by virtue of a treaty concluded between the Shogunate and the various Powers in the Ansei era.—Domei.

BUDGET PASSED BY LOWER HOUSE

Proletarian Member Shouts Opposition

Tokyo, Mar. 8.

Over-riding vociferous opposition from the proletarian Social Masses Party, the Lower House to-day passed the Government's 1937-38 budget bill without modifications.

The budget provides for the expenditure of Y.2,813,937,000, of which amount 49 per cent. will be spent by the Fighting Services

The attack on the budget was led by Mr. Tetsu Katayama, of the proletarian party, who assailed the Government for expanding military expenditures, without paying heed to the people's welfare.

"Mr. Yuki's finance policy," he shouted, "is designed to help the capitalists to gain control of the nation's industries, thus ensuring profiteering."

He said his contention was substantiated by the nature of the projected revisions in the regulations of the Bank of Japan. The Finance Minister, Mr. Toyotaro Yuki, intended to revise the present regulations to permit the Bank of Japan to advance funds to industry.

"We have no alternative," he continued, "but to end the capitalist grip on industry, thus ensuring the stabilization of the nation's economic life."

Attached to the bill was a rider, drafted by the Minseito, Seiyukai and Showakai members of the budgetary committee of the Lower Chamber, urging the Government not to follow the "unconstitutional" practice of appropriating funds which would not be expended until two years later. It also asked for reforms in the taxation system and demanded the end of "malpractices" by the police and the creation of a committee to study the distribution and disposal of provisional special funds.

National Livelihood Endangered

Speakers from the two major parties, the Minseito and the Seiyukai, also criticized the bill, pointing out that its enactment would force up commodity prices and endanger the stability of national livelihood.

"National existence can be stabilized only on the basis of healthy finances," Mr. K. Oguchi, Seiyukai, declared, pointing out that military and naval expenditures had not been decreased although the total appropriations had been cut by Y.240,000,000 from the original estimates submitted by the Hirota Cabinet.

"No matter what is said, the people cannot feel at ease when the growth in expenditures is not accompanied by increased receipts," he declared.

"The military now have what they have been demanding," the Rev. Benkyo Shihwo, Independent, said. "Now, I wish that they will carry out their plans taking into consideration the productive capacity of the nation."—Domei.

PUNISHMENT DEMANDED IN GRAFT CASE

Tokyo, Mar. 8.

Summing up the case for the prosecution, Mr. S. Kosaka to-day demanded that a court-martial should sentence Lieut.-Gen. Haruhiko Uemura, former director-general of the Military Arsenal, to three years in prison, in addition to a fine of Y.45,070, for having accepted bribes totalling Y.47,900 while serving as Director of the Ordnance Bureau of the Army's Ordnance Bureau and later as director-general of the Arsenal.—Domei.

PRICELESS BUDDHA STOLEN

Tokyo, Mar. 11.

A nationwide search was instituted to-day by the police for a thief who last week stole a priceless 1,200-year-old image of Buddha from the famous Todai Temple in Nara.

Besides the image of Buddha, the thief took seven chaplets, all classified as national treasures, and the total value of the stolen objects, police officials said, "reaches many millions if it can be estimated in terms of money at all."

The daring thief entered the sanctuary by breaking through the floor. The theft was discovered on the morning of March 7.

The Today-ji is one of the seven great temples of Nara, built entirely of wood by Emperor Shomu, 724-748 A.D. The main feature of the temple is the world-famous gigantic image of Buddha.—Domei.

SEAMEN'S UNIONS MERGE

Kobe, Mar. 9.

After two years of bitter rivalry, the Japan Seamen's Union and the New Japan Seamen's Union will be merged on March 13, Domei learned to-day. The amalgamation will make the combined membership 100,000.—Domei.

TOKYO WANTS BETTER BANKS IN CHINA

Hongkong & Shanghai Bank Suggested as Model

Tokyo, Mar. 10.

Admitting that Japanese banks were at present incapable of fostering national interests abroad, Mr. Toyotaro Yuki, Finance Minister, to-day told the House of Peers that he would consult with the authorities concerned to bring about an improvement.

This statement was made in answer to Mr. Kazue Katsuda, a former Minister of Finance, in the course of a general debate on the 1937-38 budgetary bill.

The interpellator congratulated the Government on its return to "economic diplomacy."

British diplomacy in China, Mr. Katsuda said, had always been of this type and had been successful for the last thirty years. He then referred to the facilities of the Hongkong & Shanghai Banking Corporation which he suggested as a model for Japanese institutions devoted to furthering Japan's economic interests in China.

Mr. Naotake Sato, Foreign Minister, concurred with Mr. Katsuda and said that he would confer with Finance Ministry authorities regarding the subject.

Mr. Katsuda stressed the urgency of the creation of such financial facilities and suggested that prompt steps be taken.

FILM OF YOSHIWARA LIFE UNWANTED

Gaimusho Seeks to Prevent French Production

Tokyo, Mar. 13.

Objecting to the filming of life in Yoshiwara, Japan's famous red-light district, the Gaimusho to-day prepared to ask a French film concern to stop producing a motion picture based on one of M. Maurice Dekobra's novels. It is to be released in May by the Luxe Motion Picture Company of Paris, with Mr. Sessu Hayakawa, former American matinee idol, and Miss Michiko Tanaka, a singer married to an Austrian millionaire, in the stellar roles.

Hyper-sensitive officials of the Ministry of the Interior, had first approached the Foreign Office with a request for action and the two Japanese players will be asked to "reconsider" their action, it was revealed.

If the French concern pays no heed to the Japanese objections, the film will be banned in Japan, Gaimusho officials said.—Domei.

GAIMUSHO IRKED BY NEW SOVIET MOVE

Tokyo, Mar. 9.

Gaimusho circles to-day were described in the vernacular press as being indignant over the refusal of the Soviet authorities to grant a visa to a consular official ordered to Moscow.

Coming on top of a series of allegedly oppressive measures adopted by the Moscow authorities against Japanese within the Soviet Union, the dispute may have serious repercussions, according to the newspapers.—Domei.

MOVE TO BUY MORE GOLD

Tokyo, Mar. 11.

A bill permitting the Bank of Japan to purchase annually Y.400,000,000 worth of gold, instead of the present maximum of Y.200,000,000, will be submitted by the Treasury to the present session of the Diet, it was learned to-day.—Domei.

BEACH HOTEL

MOGI (near Nagasaki)

Spend your Holidays at Mogi. This hotel is well-known to residents in China as one of the best resorts in Japan. Only 20 minutes from Nagasaki (motor-car hire Yen 2).

Lovely sea-views, and excellent roads for motoring through picturesque mountains and valleys.

Boating, fishing, bathing. Pier and diving board close to Hotel, and the Hotel motor-launch takes guests at intervals of about an hour to excellent swimming beaches, (free of charge).

Mogi is also starting-point for daily sea excursions to Obama, (for Unzen), Shimabara, Amakusa.

The Hotel has extensive grounds with fine shade-trees. Private Tennis Court. Excellent Cuisine, (including Lobsters, Prawns, Crabs, etc.). Every room has an electric fan. Terms very moderate. Hotel representative meets all steamers. Write early for reservations.

S. SUNADA, Proprietor.

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SHANGHAI NEWS

CHINESE HOUSES CUT OFF FOR TAX EVASION

S.M.C. Creates "Forbidden City" in Yu Yuen Road with Planks and Barbed Wire

Friday, Mar. 12.

A STRANGE and tense city within a city was created yesterday in the Western district when the Shanghai Municipal Council barricaded a large complex of Chinese houses abutting three Municipal Roads—Yu Yuen Road, Tifeng Road and Bubbling Well Road. Sturdy barriers of wood surmounted by barbed wire were erected before nearly a score of entrances, and Municipal sewerage and water drainage were cut off, all in an effort to compel the tenants to pay Municipal rates as stipulated.

The houses, which are within a vast compound traversed by Lane 361, Yu Yuen Road, are modern apartment buildings inhabited largely by Chinese, including a number of officials in the Chinese City Government. One hundred and twenty-seven flats are within the now barricaded settlement and thus several hundred persons are affected by the sudden reprisal of the S.M.C., whose officials say that no rate has been paid in the last quarter.

It could not be learned last night whether any further measures against the defaulting tenants, or against other such defaulters in other localities, were contemplated by the Council. The Yu Yuen Road dwellers at a late hour still had water, gas and electric power.

All the houses are in Chinese territory and inside the now strangely agitated townlet the Chapei Police, some carrying rifles with fixed bayonets, are keeping order—despite the fact that the tenants are said to contribute no tax money to the Chinese Municipality either. Outside, where the Municipal Police have jurisdiction, helmeted men from the riot squad are much in evidence and the "red marias" of the Reserve Unit have been standing by in Jessfield Road since 1 o'clock yesterday morning, and will remain on duty to-night. The Bubbling Well Station personnel, including mounted Sikhs, also are out in full force.

Strike Suddenly

The barriers were built by the Public Works Department in the Bubbling Well Fire Station, whose watch-tower grimly overlooks the besieged "city." The utmost secrecy was observed in the preparations, and then the Council suddenly struck, in the early hours of yesterday morning. All gates opening on Municipal roads were barred shortly after midnight with the exception of the main gate in Yu Yuen Road, which was allowed to be kept open till 9 a.m. so as to allow office workers using automobiles to leave. The only entrance now open is a gate the size of an ordinary door which connects with a narrow dirt road in Chinese territory, behind the petrol pump in Bubbling Well Road. It is possible, also, to enter or leave the "Forbidden City" through the Chinese shops in Yu Yuen Road—if the shopkeepers permit.

The barricades are tall, strong, well-built affairs reflecting favourably on the P.W.D. as a unit of the S.V.C. The wood is breast-high and it is surmounted by an effective tangle of barbed wire. Each barricade, further, is securely anchored in the ground, making a sally well-nigh impossible.

Foreigner "Rescued"

A young foreigner and his car were marooned in the beleaguered compound yesterday morning. As the young man lives outside, he insisted on his right to leave and take his car with him. His distress signals were acknowledged and the P.W.D. gallantly went through all the trouble of removing one of the large barricades. With a sigh of relief he started his car and drove through the gate into Tifeng Road near Yu Yuen Road. Three other drivers took advantage of the opportunity to "run" the blockade immediately behind him!

The operations in Yu Yuen Road lasted well into yesterday afternoon in order to allow the P.W.D. to plug the sewer and water-drainage pipes. A large Chinese crowd watched the proceedings from the road, while some of the cooped-up tenants peered at the scene from behind the iron grille. Within the "Forbidden City" small groups talked excitedly together and anxious eyes peeped out through the windows from time to time. There was an atmosphere of "when is zero hour?" about the place.

S.M.C. Privileges Enjoyed

No statement was issued by the S.M.C. yesterday, but it is understood that the Council is tired of the tenants' evasion of paying rates for the privileges and protection they enjoy. It is pointed out that they take full advantage of Municipal roads and the public utility systems conveyed by those roads. Nor are they reluctant to call upon the Municipal Police to help them when there is some trouble. Municipal rate-collectors, it is understood, have been told again and again by persons living in well-furnished apartments within the compound, that since they are in Chinese territory they do not have to pay taxes to the S.M.C.

The question of taxation in Yu Yuen Road is closely bound up with the whole "outside roads" question. It is hoped that the present strong stand of the Council will help to bring the outside roads problem nearer solution.

All along the Tifeng Road side of the barricaded area, the Shanghai Municipal Police were on duty, constables being posted in twos and threes on the opposite side of the street, while a slightly larger party stood guard over the Bubbling Well Road entrance. Eight foreign officers headed the detachment of about fifty Chinese and Sikh constables on duty, the Reserve Unit, which had been standing by during the day, having left at about 8 o'clock yesterday evening.

City Government's Protest

A verbal protest has been lodged with the Shanghai Municipal Council declared Mr. O. K. Yui, Secretary-General of the City Government of Greater Shanghai, in an interview with a representative of the Central News Agency yesterday.

Mr. Yui expressed profound regret that this drastic measure should have been taken at this moment when both the Chinese and Settlement authorities have just signified their readiness to solve the dispute regarding the extra-Settlement roads.

This knotty question, he said, has been at a standstill for many years due to the opposition of the Japanese members of the Council. A detailed account of this matter was given by Mr. H. E. Arnhold, Chairman of the Council, in a report made at the annual meeting of the Chinese Ratepayers' Association last year. During his recent conferences with Mr. Arnhold and Mr. Stirling Fessenden, Secretary-General, hopes were expressed that the pending issue would be settled within reasonable limits, he added.

"Upon the receipt of the report on the incident," Mr. Yui continued, "I was instructed verbally to protest to the Settlement authorities over this inappropriate step and to persuade them to reconsider the matter, so that the situation might not affect the settlement of the extra-Settlement Roads problem. Although the Settlement authorities have promised to give the matter further consideration, the barriers placed on the passage leading to the extra-Settlement Roads have not yet been removed."

Assuring that the municipal authorities would continue their efforts in bringing about a satisfactory settlement of the situation, Mr. Yui urged all Chinese residents on extra-Settlement Roads to remain calm and not to resort to rash actions at the dictate of their emotions.

Should Pay Rates

"Although there is absolutely no legal basis, for the S.M.C. to exercise the right of policing and collecting municipal rates on extra-Settlement Roads," he emphasized, "we must be aware of the fact that before the settlement of the outside roads issue, residents whose houses front or have access to the roads constructed by the S.M.C. and who have been enjoying the facilities, such as the sewage system, afforded by the Council authorities, should reciprocate by paying municipal rates."

Concluding, Mr. Yui urged that during the transitional period if residents on the extra-Settlement Roads refuse to pay taxes to the S.M.C., they should pay to the City Government so that the latter may conduct negotiations with the Settlement authorities for a satisfactory readjustment of payment.

Siege To Continue

Mar. 13.

The Council intends to remain firm with the defaulting ratepayers, some of whom owe taxes as far back as the last quarter of 1936. It was when the time which ended February 28 had expired without any payment of rate that the authorities decided to deprive the tenants of some of the Municipal privileges. The tenants were even given ten days' grace, until March 10, before action was taken.

Mr. Stirling Fessenden, Secretary-General of the S.M.C., yesterday reiterated that the issue was purely one between the Council and the defaulters. It was in no sense a political issue, he said. The tenants had been given fair notice before the Council acted. Mr. Fessenden said the S.M.C. would not yield, but would press the fight to make the tenants settle their arrears. He intimated that there were many other houses in a similar position and that the Council might take drastic action against them as well, if necessary.

Mr. Fessenden pointed out that no municipality could exist without tax revenue and that he believed the landlords and tenants involved would soon realize their obligation to the community.

Court Action Looms

Mar. 15.

Court action against the Shanghai Municipal Council if the latter do not immediately remove the barricades which they have erected on three Settlement sides of a block of Chinese houses in Tifeng Road, is threatened by Mr. S. Y. Yeh, a member of the Shanghai Chinese Bar Association and a returned student from Great Britain, who is a resident of No. 62 of the besieged buildings.

According to Mr. Yeh, he has always paid the taxes to the S.M.C. promptly, except the tax for the last season because the S.M.C. did not send men to collect it from him. It was the Council, not he, that should be held responsible for the non-collection of tax, Mr. Yeh said.

Last Friday, Mr. Yeh sent a letter to the S.M.C., enclosing a cheque for $30.60, the amount of the tax for the last season, and asking for the immediate removal of the barricades, but no reply has been received by him.

Mr. Yeh therefore made out on Saturday morning he said, a petition to the Court of Consuls detailing the Council's alleged illegal action, reserving his right to claim damages, and asking the Court of Consuls to act quickly in view of the fact that it will take some time to conclude the court action.

As the office of the Court of Consuls was open only up to noon on Saturday, Mr. Yeh found it too late to file his petition. He expects to file it this morning.

The barricaded block retained the same indifferent aspect yesterday as during the first days of the "siege." All the barriers remained effective and none of the several hundred residents could leave or return except by the one door opening into a Chinese alleyway on the Bubbling Well Road side or through small Chinese shops in Bubbling Well Road and Yu Yuen Road.

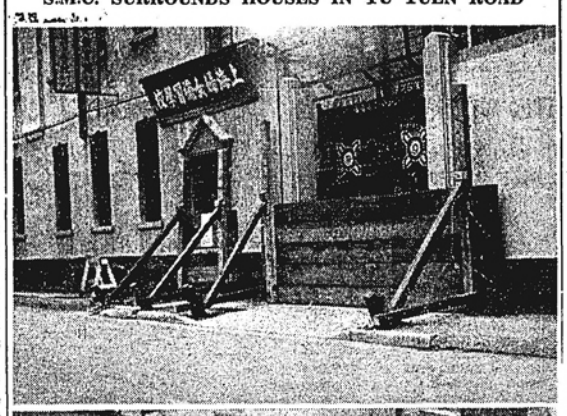
Police from the Bubbling Well Station and Chinese members of the riot squad were on duty through the day and last night, on all three Municipal roads abutting the property, namely, Yu Yuen Road, Tifeng Road and Bubbling Well Road. No disturbances had been reported up to a late hour last night.

The "blockade" continued to attract a number of the Chinese curious, especially in Bubbling Well Road, where, off the Municipal footwalk, Chapei policemen with Mauser pistols kept a continuous watch.

At dusk, the red warning lights of the P.W.D. were placed in front of all the barriers, beneath the planks and barbed wire. From the lights which were visible in most of the more than 100 flats contained in the block, it would appear that few, if any, of the residents had evacuated.

The siege entered its fifth day at midnight.

S.M.C. SURROUNDS HOUSES IN YU YUEN ROAD



Drastic steps were taken by the S.M.C. on March 11 to compel the tenants of a large block of Chinese houses in the western district to pay rates due for months. The above views show the wood-and-barbed-wire barricades.

MILITARY ATTACHE OPENS OFFICES

500 Japanese Present at the Inaugural Ceremony

Japanese diplomatic, consular, naval and military officials, and leaders of the local Japanese community on Mar. 10 were the guests of Major-Gen. Seiichi Kita, military attaché to the Japanese Embassy to China, at an elaborate house-warming reception given in the compound of his new offices at the north-western corner of Chimei and Dixwell Roads.

The event was preceded by the unveiling and dedication of a simple stone memorial to Japanese war dead.

The 32nd anniversary of the battle of Mukden, which ended in a Japanese victory, was selected by Major-Gen. Kita for the opening of the recently completed three-storeyed brick official building and residential annexes. All Japanese military agencies in Shanghai will be housed in this building, while Major-Gen. Kita will also have his official residence there. The former offices off Range Road will be abandoned, while the military attaché's residence on Wuting Road will become the home of Col. Sanetaka Kusumoto.

Seven-year-old Miss Tsuneko Sakata, daughter of Major Shigeki Sakata, unveiled the memorial. Shinto dedication ceremonies followed.

A Japanese buffet luncheon was subsequently served in tent stalls, while geisha gave performances on an improvised stage. Present were approximately 500 persons.

"SHANGHAI DAY" TO BE CELEBRATED

Plan to Start Revival of Local Prosperity

Plans for a large-scale celebration of "Shanghai Day" which falls on March 21 were discussed at a meeting held on March 13 under the auspices of the City Government of Greater Shanghai.

Attended by representatives of over 20 public organizations, the meeting was presided over by Mr. Li Ta-chao, sectional chief of the City Government, who announced that "Shanghai Day" will be made an annual event.

Marking of "Shanghai Day" which was proposed by Mayor Wu Te-chen, according to Mr. Li, aims at the revival of prosperity for China's metropolis. It will be the one day of the year on which people of all walks of life will be given a chance to forget their daily toil and gather together at various celebrations in a spirit of informality and gaiety.

Definite plans were not decided upon at yesterday's meeting, but according to the numerous proposals advanced by the different organizations, the day will witness exhibitions of various kinds, athletic contests, float parade, baby health contests and other forms of amusement. March 21 is chosen to be "Shanghai Day" because it was on that day ten years ago that the Nationalist Army captured Shanghai in its Northern Expedition.

CABARETS CLOSED BY CHAPEI POLICE

Foreign Haunts Forced to Suspend at 2 a.m.

Following closely on the heels of manifestations at the Del Monte Café during the last several days, several cabarets on the "outside roads" were closed at 2 a.m. on March 12 after the appearance of members of the Chinese Police Bureau.

Chapei Police had previously appeared at Del Monte's in the early hours of the morning and taken up position in the grounds while the resort was still operating.

It is pointed out that the cabaret is situated on a Settlement road, Avenue Haig, the ground being in Chinese territory, but being British-owned and the cabaret being operated by American interests. Del Monte's has no Settlement cabaret licence. It is across from French territory.

Other places closed by the Chapei Police were Farren's, in Great Western Road near Columbia Road, and the Jessfield Club, in Yu Yuen Road near Jessfield Park. The Chinese Police also were active outside the cabarets in the North Szechuen Road area.

Inasmuch as the Chinese police did not enter the premises, Del Monte patrons were not alarmed and as the management stopped the orchestra and informed those present of the circumstances, it was only a short while before the place was deserted and the lights were extinguished. Those without motor cars soon obtained them, while the dance hostesses left in the usual manner.

Mr. "Al" Israel, proprietor, stated that they regularly had paid their Municipal rates, amounting, as he said, to more than $700 a quarter. Bubbling Well police were not asked to attend, although the usual patrols looked on as they passed.

No untoward incident took place, although within five minutes of the appearance of the Chinese police, an English-speaking official in mufti, turned away one hire car and one private vehicle.

30th ANNIVERSARY OF CHIAOTUNG BANK

Celebrations Held at New Asia Hotel

Established in the 34th Year of Emperor Kuang Hsu of the Ching Dynasty, the Bank of Communications celebrated on March 14 the 30th anniversary of its birthday at a meeting held at the New Asia Hotel, North Szechuen Road, yesterday. Throughout the day, a stream of guests visited the hotel to offer their congratulations to Mr. Hu Pi-kiang and Mr. S. M. Tong, respectively the chairman of the board of directors and general manager of the Bank, who received the guests at the seventh floor, assisted by their staff.

A report on the Bank's developments and the removal of the head-office from Peking to Tientsin and then to Shanghai was made by Mr. Hu, after which Dr. H. H. Kung, the Finance Minister, delivered an address as a distinguished guest of the gathering. Messrs. Hsu Kan and Chow Lin, the two Vice-Ministers of Finance, were also present. The celebrations were concluded in the afternoon with theatrical performances.

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S.M.C. ESTIMATES SHOW BIG SAVING

Decrease of $475,300 in Figures of S.V.C., Fire Brigade and Police Force for Year 1937

A TOTAL saving of $475,300 is represented in the preliminary estimates of ordinary expenditure for the Volunteer Corps. Fire Brigade and Police Force submitted by the Watch Committee to the Shanghai Municipal Council for approval of their submission to the Finance Committee, according to a statement issued on March 9. In the case of all three departments there were decreases in the ordinary expenditure as compared with the corresponding figures for 1936, the saving being as follows: Shanghai Volunteer Corps $88,710, Fire Brigade $224,350, and Police Force $162,240.

In regard to the Shanghai Volunteer Corps, the Treasurer and Controller summarized the requirements of the year in comparison with the relative figures for 1936 as follows:—

	Budget 1936 $	Prelim. Estim. 1937 $
Volunteer Units	306,050	292,590
Russian Detachment	384,090	368,410
Stock and Stores—Purchases	66,400	6,340
Stock and Stores—Issues	Cr. 50,760	Cr. 50,270
	$705,780	$617,070

This result represents a total decrease on last year's figures of $88,710.

A decrease of $5,960 is shown under the heading of Pay-Foreign as it is not intended to replace the Battalion Adjutant and the Battery Sergeant-Major upon completion of their term of secondment. The Treasurer and Controller stated that greater economy in issue and the utilization of existing stocks of materials have enabled the appropriation for uniform to be reduced by $13,400 as compared with 1936. The large saving under stock and stores—Purchases is mainly attributable to the fact that it is not proposed to buy any ammunition during this year.

The appropriation of $13,000 for locomotion represents an increase of $3,000 on last year's figures to cover the operation costs of recent additions to the fleet of vehicles.

A decrease of $15,680 is shown in the estimated requirements for the Russian Detachment which is attributable to the application of the revised rates of pay from July 1, 1937, and to reduced requirements in respect to uniform. Under the heading of extraordinary expenditure provision is contained for two new trucks at an estimated total cost of $6,800.

The Treasurer & Controller stated to the Committee that before the preliminary estimates had been submitted to him the Commandant had effected certain economies and that after giving effect to further adjustments he had been able to make in collaboration with the Commandant, he did not consider that it would be safe or possible further to reduce the estimates.

Fire Brigade

Ordinary Expenditure. Excluding stock and stores and the ambulance service, the amended estimates total $906,140 representing a decrease of $224,350 as compared with the 1936 budget. The establishment of foreign personnel now conforms with that laid down by the Fire Brigade Costs Sub-Committee. An increase of $13,230 under the heading ambulance service is accounted for by the inclusion under personnal of 25 attendants previously provided for under the heading of Firemen.

Detailed consideration was given by the Committee to stock and stores requirements. The major items approved were the purchase of two high power chassis and pump fitments to replace old machines, and the purchase of two motor ambulances for the hospital section. The Chief Officer had, in the preliminary estimates submitted, recommended the purchase of eight high power chassis and ten pump fitments. Provision had also been made for the engagement of 40 additional firemen and one motorman to man the new machines. The Treasurer & Controller recommended the excision of these items. The Committee decided to commence replacement by the purchase of two machines with pump fitments, but did not authorise any additional personnel other than that required to man an additional ambulance.

More Ambulances

Provision was made in the preliminary estimates for the purchase of two emergency motor ambulances and two motor ambulances for the hospital service. Only the latter were authorized. One of these ambulances, is required for replacement and the other for the infectious section of the removal service. The Chief Officer reported that this service is now served by one ambulance only and that consequently either there are inevitable delays in responding or an ordinary hospital removal ambulance has to be brought into use, with the result that while it is being fumigated delays occur and thus both sections of the service are disrupted. A number of other items of plant and equipment approximating $80,000 were excised on the recommendation of the Treasurer & Controller.

Under the heading of extraordinary expenditure an appropriation was made for an engine room extension at Hongkew Station and the balance of cost of a temporary fire station at Honan Road. Nominal figures only continue to be given for the new Central Station estimated to cost $1,000,000 and the new headquarters and depot estimated to cost $1,300,000.

Police Force

The Treasurer & Controller reported that the total Police preliminary estimatse of ordinary expenditure, after giving effect to the recommendations of the Staff Economy Sub-Committee as approved by the Council and to certain adjustments agreed to between the Commissioner of Police and himself, amounted to $9,717,650, sub-divided as follows for purposes of comparison:—

	Budget 1936 $	Estimates 1937 $
General (including "Specials")	8,576,790	8,419,280
Gaol and Reformatory	1,324,850	1,318,930
Stock and Stores—Purchases	299,250	294,440
Stock and Stores—Issues	Cr. 321,000	Cr. 315,000
	9,879,890	9,717,650

This result reflects a decrease on the total requirements for 1936 of $162,240 and is due to the application from July 1, 1937, of the revised terms of service and scales of pay; a temporary reduction in the uniform personnel without regard to authorized establishment, agreed to by the Commissioner of Police, and to certain other economy measures of a general character.

The working expenses of the recently abolished Rickshaw Board have been incorporated in the Police estimates, and the appropriation for Specials is shown separately for the first time.

Under the heading of Pay-Foreign, it was noted that in agreement with the Commissioner of Police the number of sergeants and probationary sergeants has been reduced to a temporary working strength of 283 against the authorized establishment of 313. Provision is contained in the preliminary estimates for an additional Vehicle Inspector for duty in the Rickshaw Control Office, and for 16 constables seconded from the Russian Detachment for duty with the Reserve Unit, and also for two additional motor drivers required for service with the Reserve Unit. Provision has been included for an increase of 20 in the strength of the Japanese branch.

The Chinese Branch

Provision has been included for the promotion of the two Assistant Superintendents in the Chinese Branch to the rank of Superintendent. By agreement with the Commissioner of Police the working strength of Constables is to remain as for 1936 at 3,062.

The total preliminary estimates for the Gaol and Reformatory, excluding stock and stores, amount to $1,318,930, a decrease of $5,920 as compared with 1936 budget figures. Provision has been made for the appointment of an additional Deputy Governor and a corresponding reduction of one in the establishment of gaolers. Provision has also been included for the Chinese Assistant Governor of the gaol, an appointment authorized during 1936. The number of Reformatory teachers has been increased by two.

The total estimates for the Specials amount to $30,680, inclusive of stock and stores.

No major item was approved under the heading of extraordinary expenditure, but various minor items were approved under the heading of Buildings. These related either to the balance of cost of items already approved, or to minor extensions. It is proposed to install two padded cells in the Gaol Hospital and six in the Cell Block of the Chinese section, and in the Foreign section one padded cell in the male division and one in the female division.

SINCE the establishment in the City of Greater Shanghai of the factory inspection office under the supervision of the Central Government in Nanking, efforts have been renewed to urge factory owners and the authorities in the International Settlement to comply with the law.

"N.-C. Herald" Photo.

NOW IT'S OVER "OVER THERE" FOR THEM

"Over There" became a memory for the millions of Allied troops in France as long ago as 1919 but not for this party of 33 members of the Chinese Labour Corps, who stayed behind, and finally returned to their homeland on March 11.

GREAT WAR FINALLY OVER

33 Members of Chinese Labour Corps Back from France After 21 Year's Absence

The Great War ended on November 11, 1918 for the Allied troops and repatriation from France swiftly followed, but not for one party of 33 Chinese. The war finally ended for them when they arrived from France on Mar. 11 in the Messageries Maritimes ss. Bernadin de St. Pierre, which put into port shortly after noon.

They were members of the Chinese Labour Corps who sailed from their mother country 21 years ago to do what they could for the Allied cause, little knowing that they would be demobilized practically speaking, nearly two decades after the signing of the Armistice.

Speaking French as fluently as their native tongue they were voluble with excitement and pleasure about the much belated arrival in the homeland, when interviewed by a "North-China Herald" reporter who met them on their arrival. Each member of the party carried in some pocket what he seemed to look upon something tangible which he hoped would serve as an excuse for the prolonged absence. The papers which they drew forth were often tattered and torn but they looked upon them rather proudly. There was inscribed in both French and Chinese the gratitude of the French Republic which conferred upon each the "Droit de la Medaille Commemorative Francaise de la Grand Guerre."

During the years since the Great War they have been working in various parts of France, they said, at any and all kinds of jobs. During the last five years their plight has been particularly unhappy owing to the increasing difficulty of finding remunerative employment.

Chinese delegates who visited France during the 19th and 20th International Labour Conferences raised the question of sending the destitute labourers back to China. It was only recently that sufficient money was raised to make successful the project of repatriating these men. They were brought to Shanghai from Marseilles via the Suez Canal, travelling fourth class.

No Brass Bands Honour Them

In the way of personal property they had very little. Most of them carried small bundles or bags, the more well-to-do having little suitcases, which appeared to contain all their wordly wealth. But lack of possessions was wholly unable to dim their enthusiasm as they poured down the gangway as though eager to set foot on Chinese soil.

The home-coming of these war veterans was honoured by no brass bands or jubilant crowds. Representatives of the General Labour Union of Shanghai were quietly on hand and more conspicuously helpful a representative of the Shanghai Bureau of the Commission on Overseas Affairs.

The members of the returning group, who sailed for Europe in 1916, came from various parts of China. Most of them will remain in Shanghai for about one week before setting out for their homes in the different provinces. They seemed wholly uncertain and rather indifferent about what they would be beyond getting home again. They claimed that there were still 2,000 or 3,000 Chinese still in France, remnants of Labour Corps, who were in good jobs.

CERTIFICATES FOR LOCAL STUDENTS

Result of London Chamber of Commerce Examinations

The following students are to be awarded certificates by the London Chamber of Commerce Commercial Educations Department, in connection with the Examinations for Higher Commercial Education Certificates and Commercial Education Certificates, held last Autumn in Shanghai, under the auspices of the British Chamber of Commerce:

Higher Commercial:—Starling, Althea G: English—passed.

Commercial:—Bardunrova Bondunoff, Nina: English Shorthand (70 words per minute)—passed with distinction.

Beckerman, Ura: — Book-keeping—passed; Elements of Commerce—passed; English—passed with distinction in both the written and oral portions.

Curtis, Charles: Arithmetic—passed; Book-keeping—passed; Elements of Commerce—passed with distinction; English—passed with distinction in both the written and oral portions.

Froloff, Vladimir: Elements of Commerce—passed; English—passed with distinction in both the written and oral portions.

Grundt, Eugene: English—passed with distinction in both the written and oral portions.

Hill, Alec: Book-keeping—passed; Elements of Commerce—passed; English—passed with distinction.

Hu, Do Gong: Book-keeping—passed.

Kiang, John: English—passed.

Kostoff, Nicholas: Arithmetic—passed; book-keeping—passed; English—passed with distinction in oral portion.

Mari, Paul: Book-keeping—passed; Elements of Commerce—passed; English—passed.

Marissoff, Arthur Apollon: Book-keeping—passed; Elements of Commerce—passed with distinction; English—passed with distinction in both the written and oral portions.

Pecheniuk, Eugene: Typewriting—passed.

Rodrigues, Arthur A. A.: Arithmetic—passed; Book-keeping—passed; Commercial History—passed; Elements of Commerce—passed; English—passed with distinction in both the written and oral portions.

Senichenko Victor: Book-keeping—passed; Elements of Commerce—passed; English—passed with distinction in both the written and oral portions.

Zelensky, George: Book-keeping—passed; Elements of Commerce—passed; English—passed.

Zeltzer, Daniel: Book-keeping—passed with distinction; Elements of Commerce—passed; English—passed with distinction in both the written and oral portions.

Zharoff, Leonid George: Elements of Commerce—passed with distinction; English—passed with distinction in both the written and oral portions.

MILITARY POLICE IN CRASH

Four Men Injured as Van Strikes Tree

A van carrying four members of the British Military Police crashed into a tree on the north side of Soochow Road, at Kiangse Road, at 4.20 a.m. on March 8. The driver and the three military policemen inside the van all were injured and were taken to the British Military Hospital in a Fire Brigade ambulance.

Only the driver was severely injured and owing to his condition no clear account of how the accident occurred could be gained. He suffered a fracture of the knee-cap and various other injuries, probably including concussion of the brain.

The van was northbound in Kiangse Road, apparently on its way to the North Szechuen Road area, when the accident occurred.

SUBSIDIES ASKED BY JAPANESE

Commerce Chambers Discuss Trade with China

China's import tariff and customs procedure formed a major subject of discussion at the closed session of the conference of Japanese Chambers of Commerce and Industry in China, Japan and Dairen, held on March 12 at the Japanese Club, Boone Road.

Discussed at the public sitting were proposals by various groups aimed at securing subsidies for the development of Japanese commerce along the Yangtze and suggesting a reform in the present Japanese Exchange Control Law, which is alleged to throttle Chinese exports to Japan.

Approved unanimously was the proposal to secure the passage of legislation in Japan for the subsidizing of Japanese exports to China and the creation of an exports guarantee system.

Pointing out that exports of North China cotton to Japan amount to $16,000,000 a year, the delegate of the Tientsin Japanese Chamber of Commerce and Industry suggested the improvement of Chinese cotton testing facilities.

Declaring that the Yokohama Specie Bank and the Bank of Taiwan were reluctant to lend Japanese traders "even Y.1,000", the representative from Hongkong stressed the necessity of the creation of an institution similar to the Hongkong & Shanghai Banking Corporation to promote Japanese interests in China.

Lower Cable Rates

Representations aimed at securing lower telegraph rates between Japan and China and a reduction of the Chinese railway freight tariff on Japanese goods will be made to the Japanese Government.

Also voted upon favourably was an urgent motion to petition the Tokyo authorities to assign trade commissioners to Hongkong, Canton, Hankow, Tsingtao, Tsinan, and Tientsin, and to seek the extension of the present Shanghai-Japan telephone service to other parts of China.

A mild rebuke for using illustrations originally appearing in British machinery catalogues was administered Japanese businessmen present at the meeting by Mr. Kojiro Iwai, commercial councillor of the Japanese Embassy.

"I have received complaints that Japanese manufacturers are prone to use British illustrations in their catalogues," Mr. Iwai said. "Such practices appear to me as being doubly reprehensible for Japanese machinery is good and nothing to be ashamed of," Mr. Iwai said. Why not give accurate original illustrations." Complaints that Chinese manufacturers were falsifying Japanese labels were subsequently heard.

Several representatives alleged that the Chinese railway tariff discriminated against Japanese goods and urged a reform.

KING DAUGHTERS' CONCERT

Seldom has Shanghai seen a more appreciative audience than at the popular concert of the King's Daughters at the Lyceum Theatre on Mar. 12. Real merit marked every act. The Shanghai Philharmonic Orchestra, under the leadership of Monsieur J. Terzi, played several beautiful selections, one of them as an accompaniment to Mrs. L. R. Wilson, who sang for the second time in Shanghai. She received a tremendous ovation. Mr. J. C. Booth gave two songs, enriched by his baritone voice.

One act was a gem. While Mrs. H. W. P. McMeekin sang an old-fashioned song about grandpapa and grandmama, their meeting at a ball was acted out in a Minuet by Miss Marie Newman and Miss Jean Creighton. Colour effects were breathtaking. A quartette which has reached great popularity—Mrs. A. Harvey, Mrs. P. D. G. Gain, Mr. G. F. Dunbarton and Mr. G. H. Piercy—rendered some delightful music, a medley composed of seven parts so arranged that each succeeding piece contrasted pleasantly with the former.

Mrs. Verne Clair, in her Chinese Impressions, sprang a surprise by taking a ride in a real richshaw, pulled on the stage by Mobi, the number one boy of the Lyceum theatre. Mrs. Clair was called back for curtain bows innumerable times. Miss Ellen Jansen, Miss Mabel Jansen, Mrs. J. S. Whitney, Mrs. M. P. Walker, and Miss Jessie Kliene played string and piano music, a folk tune and a fiddle dance. These musicians are artists to their finger tips and no popular concert would be complete without them.

Dances were performed by pupils from the classes of Miss Sharp, Miss Mirelle Middleton danced "Le Cygne" with consummate grace. The last number was unique and portrayed marble statues posed by members of the cast.—H.C.

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FEWER COURT CASES IN FEBRUARY

Municipal Advocate Reports on Proscution

The Municipal Advocate states in his report for February that 6,880 cases were prosecuted in the Shanghai First Special Area District Court and the Kiangsu High Court, Second Branch, during February, as compared with 9,802 in January.

Out of the total number of cases prosecuted 5,237 were administrative and 1,643 criminal cases. Out of the total number of administrative cases brought to trial, 3,158 persons failed to appear and their bail was confiscated, while 62 cases were withdrawn, as compared with 5,704 cases, in which bail was confiscated and 24 withdrawn in January. Two thousand and seventeen administrative cases were prosecuted to completion, out of which number 2,012 persons were convicted and five acquitted. Twenty-six criminal cases were withdrawn and 1,617 prosecuted to completion, out of which number 1,490 persons were convicted and 127 acquitted.

The total number of administrative and criminal cases prosecuted to completion was 3,634, as compared with 4,149 in January Three thousand, five hundred and two persons were convicted and 132 acquitted, as compared with 4,040 convicted and 109 acquitted in January.

In addition to the above, there were 94 private criminal prosecutions, as compared with 79 in January.

Percentage of Convictions.—92.2 per cent. of the persons charged in criminal cases, and 99.7 per cent. of those charged in administrative cases were convicted, making a total percentage of convictions for the month 95.9 per cent. as compared with 90.5 per cent. for the month of January.

Appeals

(a) By the Council.—Three appeals to the High Court were filed during the month of February. The total number of appeals by the Council pending on February 28 was as follows: in the High Court, 10.

(b) By the Defendants.—Eighty appeals were perfected during the month, 11 to the Supreme Court and 69 to the High Court. Seventy-six appeals by defendants were concluded and dealt with as follows:—

Accused found Not Guilty	1
Appeals Dismissed	58
Appeals Withdrawn	7
Cases Not Entertained	1
Cases Sent Back for Retrial	1
Sentences Increased	3
Sentences Reduced	5

There were 287 appeals filed by defendants pending on February 28 as follows: in the Supreme Court, 93; in the High Court, 194.

Extradition.—Six applications for handing over, involving six persons, were made by the extra-Settlement authorities during the month. Prima facie cases were proved against them all and they were handed over.

Cases Pending.—On February 28, there were pending in the High Court and District Court 71 cases, which, together with 297 on appeal, make a total of 368 cases pending. In addition to the above, there were seven cases pending in which the accused were detained on writs of detention.

BRISK GUN BATTLE AFTER DARK

Police Wound One of Gang: Arrest Three

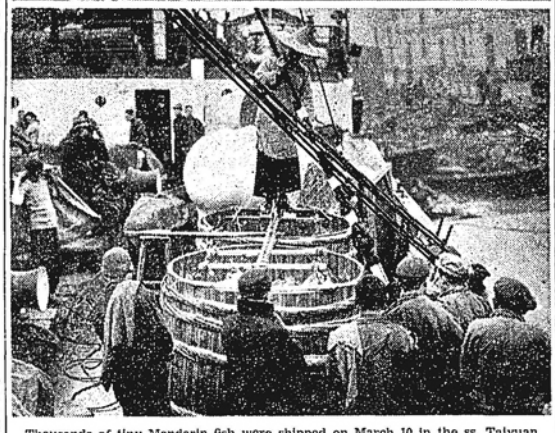
A gang of three suspected robbers, believed to have been concerned in important cases in the Western district, was captured on Mar. 14 by detectives of Crime Branch Headquarters led by Det.-Sergt. J. Bradley, who wounded one of the men in the course of an exciting chase along dimly-lighted streets.

Acting on secret information, the police went to a supposed rendezvous of the gang in Penang Road, Gordon Road district, at 8.15 o'clock and surprised the three suspects in the open street. The detectives ordered the men to hold up their hands and two of the suspects obeyed without hesitation. The third, however, started to run and Det.-Sergt. Bradley, wearing a steel vest, followed him swiftly. In the dimly-lighted area the pursuit was carried out, the detective-sergeant challenging the man as he ran and telling him to surrender or chance a bullet.

The chase continued into the Seymour Road extension and finally the pursuer fired three shots, one of which wounded the suspect in the right side and halted his flight. The man, who was not seriously injured, was subsequently taken to the Police Hospital in an ambulance.

The two suspects who surrendered when first challenged were found to be in possession each of an imitation "Mauser pistol."

FISH TO STOCK FUKIEN STREAMS SHIPPED



Thousands of tiny Mandarin fish were shipped on March 10 in the ss. Taiyuan to Amoy, where they are destined to stock the streams of Fukien. The pictures above show some of the huge kongs in which they were transported.

LIVE YANGTZE FISH SHIPPED SOUTH

Thousands of Tiny Mandarins Taken from Shanghai to Stock Streams Around Amoy

Nursed by never-ceasing care, the last cargo of live fish for the present season was shipped down the China Coast on Mar. 10 on the decks of the ss. Taiyuan. Thousands of the tiny silver and black Mandarin Fish are on their way to stock the streams back of Amoy from Kiukiang and Quinsan.

These fish comprise one of the queerest but most enterprising type of cargo at present being carried in the China Coast trade. Five huge kongs each containing seven tons of fresh water were filled with fish after being transported from river boats. The fish were poured into the kongs by means of buckets. Each bucket was filled to capacity and between thirty and forty bucket-loads were poured into each of the five kongs, or large wooden barrels standing about six feet in height and about four feet in diameter.

As soon as the fish were in the kongs, coolies began the motion which will be perpetual until the Taiyuan arrives in Amoy. It is necessary, in order to preserve the lives of the fish, to keep the water aerated. For this reason the coolies keep constantly churning the water by means of wooden blocks which move vertically in the water. In each kong there are two such blocks, each of which is attached to a lever operated by a coolie.

All the way down the coast the operator must keep moving the lever back and forth steadily, never stopping for a minute. He can sit on a high stool and move the lever with his hands or, for a change, get up on top of the kongs and operate the lever with his feet.

On the load, one lever operated the blocks for three kongs and another lever saw to the oxygen supply of the live cargo in the other two kongs, set on the opposite side of the deck. It is a long tedious grind for the human aerators because only four of them are carried with a shipment of the fish and between them they must keep the show going if they do not wish to arrive with a dead cargo. The season for shipping the fish from the Yangtze River down to Amoy lasts only about two months of the year.

When coast vessels carrying such a cargo arrive in Amoy, numerous sampans go alongside the ship and the tricky job of unloading the fish begins. The fish are scooped out of the kongs in bucket-loads and dumped into the sampans the bottoms of which are filled with fresh water. The fish swim freely in the bottom of the sampans as they are carried up the streams to their new homes.

In being carried from their native streams to new waters, many of the fish die, float to the surface of the kongs, and are thrown overboard. While many fish perish in the journey, remarkably few are lost considering the vast number that arrive safely at their southern destination.

SHANGHAI VESSEL AGROUND

Hop Sang Helpless Off Coast of Formosa

Heavy seas are breaking over the Jardine, Matheson ss. Hop Sang which has run aground at the southernmost tip of Formosa, according to a telegram received on Mar. 12 by the company's office in Shanghai. All of the crew are safely on shore, the telegram adds.

That the Hop Sang was aground was also reported by the Dollar Liner President Hoover through the Globe Wireless Co., the further information being given that the vessel was in need of immediate assistance and that the Tencho Maru, fifty miles away at the time, was going to the rescue.

The Hop Sang is a China Coaster of 3,000 tons which usually plies between Hongkong and Tientsin with slight variation in her route which occasionally includes Shanghai. When she ran aground, she was on her way from Hongkong to Takao, under the command of Captain D. S Pethick, carrying a general cargo consisting largely of kerosene. The vessel is a cargo boat which carries no foreign passengers.

BRITON INJURED BY TRAM ON NANKING ROAD

A British subject whose name was given as John Allen was injured shortly after 2 p.m. on March 14 when he was knocked down by a tramcar on Nanking Road near the intersection of Shanse Road. He was taken to the General Hospital in a Fire Brigade ambulance. His condition is believed to be not serious.

UNION CHURCH SOCIAL REUNION

Large Attendance at Annual Supper

About 180 members of Union Church congregation and guests were present on March 10 at the annual reunion and supper held in the Church Hall, the gathering proving the most successful held in recent years.

Preceding the supper, the members and guests were received by the Minister, the Rev. H. G. Newsham, and Mrs. Newsham and the members of the Church Committee and their wives; after which the whole party adjourned to the main hall. The Minister presided at the supper, and with him at the main table were Bishop and Mrs. Gowdy, of the Methodist Episcopal Church, from Foochow; Dr. and Mrs. Emory Luccock, of Community Church; Rev. E. J. and Mrs. Ottewell and the Rev. J. L. Brown, of Holy Trinity Cathedral: Pastor Krueger, of the German Lutheran Church; Dr. and Mrs. Gordon Poteat, of The University of Shanghai; Mrs. Newsham; Mr. F. W. Poate, Chairman of Union Church Committee, and Mrs. Poate; and Mr. E. A. Dearn. Owing to indisposition, Dean Trivett of the Cathedral was unable to be present.

Brief Toast List

Owing to the lengthy programme arranged for the evening, the toast list was brief, only that of—"Our Guests"—being submitted. This was proposed by Mr. A. W. Sheriff, of the General Committee, who in welcoming the guest spoke of the excellent spirit of co-operation existing between the various Protestant Churches in Shanghai.

On behalf of the visitors Bishop Gowdy and the Rev. Gordon Poteat responded in happy vein, the former congratulating Union Church on its various activities and on the spirit displayed. He was glad to see manifested here in Shanghai the things which should unite rather than divide the Christian Church—and he felt the churches in the homelands might find in such a gathering something they might well emulate. He would describe the Union Church as "a church of the highest rank."

Dr. Poteat spoke of his happy association with Union Church, and of the inspiration he had received from its Minister, who, he regretted, was so soon to leave Shanghai.

The Entertainment

During the evening songs were given by Mrs. Umpleby and Mr. David McGavin; Mr. Dearn contributed two interesting monologues; while the closing item was an amusing operetta, words written by Mr. Herbert, of "Punch" fame, presented by Mr. and Mrs. Moodie, Mrs. Peccarie, Mrs. Dorothy Huntley-Davidson, Miss Phoebe Tuck, and Mr. John Lee.

Before the company dispersed Mr. Newsham warmly thanked all who had contributed to such an enjoyable evening, making special mention of the work done by the Service Committee, and especially Mrs. Harmon and Mrs. Train, in arranging the greatly admired decorations.

FACTORY MANAGER STABBED

Workers Angered Over Sale of Machinery

Because the manager of the mill had leased the machines of the factory to another group of workers, thus throwing them out of employment, several workers of the Teh Ho Weaving Factory, off Brenan Road, in Chinese territory, attacked with knives Chao Ah-king, the owner of the factory, while the latter was in the vicinity of the factory on March 12. Chao sustained stab wounds at six places about his body and head, and was removed to the Red Cross Hospital for treatment. No arrest was made by the Chapei Police when they arrived at the scene. The factory usually employs over 40 workers.

Labour troubles arose also in two other silk weaving mills not far from the Teh Ho Weaving Factory in the western district. Over 200 workers of the Ching Sen and Tien Cheng Silk Weaving Factories struck work on March 12 and presented eight demands for better treatment. Both factories are in Chinese controlled territory.

YOUNG WOMAN FOUND POISON VICTIM

A young Portuguese lady was discovered suffering from poison, on March 14 in her room at a North Szechuen Road apartment-house and was taken to the General Hospital in a Fire Brigade ambulance. Her condition was described as "not serious."

EXPRESS AND CAR MEET IN CRASH

Mr. G. Liebsch Victim of a Crossing Accident

Struck by a Shanghai-Nanking express train, Mr. G. Liebsch, a German merchant of Shanghai, was killed instantly on March 9 shortly before 9 a.m. at a level crossing near Quinsan, 37 miles from Shanghai. The car in which he was driving was hurled into a field beside the track, and was completely wrecked. Chinese police and officials of the German Consulate-General are investigating the circumstances of the crash.

Mr. Liebsch, a man in his early thirties, was driving alone in a five passenger sedan from Shanghai to Soochow on a business trip. He was employed by Messrs. Glathe and Witt, a German importing and exporting firm.

The car was hit squarely in the middle and landed in the field completely smashed but standing upright on its wheels with Mr. Liebsch still in the driver's seat quite dead. This information was secured from Mr. H. Yao who happened to be on his way to Shanghai from Soochow by train and surveyed the scene of the tragedy about thirty minutes after it occurred.

No Watchman At Crossing

Mr. Liebsch was driving on a recently opened road, according to Mr. Yao who was interviewed by a representative of the "North-China Herald." There was no watchman at the railway crossing, according to Mr. Yao. After the accident, he said, the local police took the body out of the car and laid it on the ground, appointing one policeman to remain on guard.

Asked about the probable reason for the accident, Mr. Yao could suggest no plausible cause, saying that from the road on which Mr. Liebsch was driving there was a good view of a long section of the tracks in both directions.

The remains of deceased were brought to Shanghai.

Mr. Liebsch had been a resident of Shanghai for about three years. He at first had his own interior decorating business and later joined the Modern Home. From December of 1936 he had been in the employ of Messrs. Glathe and Witt. Before coming to Shanghai, he had been engaged in some motor-transport business in Africa.

In Shanghai, he last resided at the Avenue Apartments, 320 Hardoon Road. He had no relatives in Shanghai but is reported to be survived by a wife now in Germany.

BRITISH GIRL VICTIM OF POISON

Miss May Thompson Was Well-known Athlete

Miss May Caroline Thompson, 24 years old, died in the Paulun Hospital on March 11 shortly after she had been admitted suffering from poison. Miss Thompson, who was British and a well-known swimmer and general athlete, was found dying in the bathroom of her parents' residence, in Lane 215, Medhurst Road, at 7.30 a.m., a drained disinfectant bottle beside her. She was taken to hospital in an ambulance and expired shortly afterward. An autopsy was performed in the afternoon.

Miss Thompson had been prominent in sports and athletic activities in Shanghai for a number of years. One of the best swimmers and divers among the ladies, she was a valuable member of the Foreign Y.M.C.A. team and held records at various times. She was also an enthusiastic tennis player, representing the Rowing Club in the women's league, of which she was secretary for a time. Hockey was another interest of Miss Thompson's. She was prominent in league play here during the past few seasons. She was employed by the office of the Athletic Director, Foreign Y.M.C.A., for the last several years.

LAUNCH ORDERED TO SUSPEND RUN

Involved in the disaster near Ping Huan, in which over 50 passengers were drowned recently, the steam launch Yung Shing has been ordered to suspend operation by the Kiangsu Provincial Government. The launch was on its way to Shanghai from Huchow, the well-known silk producing centre in Chekiang, when it sank in the Grand Canal. It was said that it was turning on a sharp bend when it took a heavy list, and the water rushed in. Of seventy or more passengers, only twenty were saved. The launch was later salvaged.

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MOTORIST ESCAPES DEATH

Freak Accident on Bund Caused by Rickshaw

A young British motorist escaped death almost miraculously on March 14 on The Bund when the roadster he was driving was caught between two tramcars going in opposite directions. The comparatively small vehicle—and it was the driver's good fortune it was so small—was reduced to a mass of wreckage, while its operator survived his terrifying experience with nothing more serious than nervous shock. He reported the circumstances at Central Police Station shortly after the accident, while the crumpled remains of his car were being removed.

A careless rickshaw puller was responsible for the mishap, which occurred at 5.05 p.m. between Jinkee Road and Peking Road, almost directly opposite the Yangtsze Insurance Building. The motorist was forced to swerve his car in order to avoid hitting the coolie who suddenly got in front of him. He was, further, compelled to pass a tram moving in the same direction and in doing so he was not in time to get out of the way of another tram, bound in the opposite direction. The result was that he was sandwiched mercilessly between the two trams with disastrous results to his own vehicle.

The rickshaw puller escaped.

The rescue van of the Shanghai Fire Brigade reached the scene of the accident within five minutes of the crash and went to work immediately to extricate what was left of the motor-car from its tight position. The involved trams, which were damaged to some extent, were moved as much as possible and the car was pulled out and placed on the parking area near by. This job required only about five minutes and at 5.15, the long line of trams reaching nearly to Avenue Edward VII in one direction and to the Garden Bridge in the other direction, began moving. Debris from the smashed car remained between the tram tracks, marking the spot.

Traffic in both lanes on The Bund was normal again at 5.23 p.m.

"CRADLE" BRANCHES OUT

New Home for Local Babies' Institution

A reception attracting wide interest was held on Mar. 13 at the Cradle in its new home, 296 Route Winling. Over 150 people attended, most of them curious about the project that started, figuratively speaking, from a mere shoe string. What they saw on opening the door were two cozy rooms, cheery with brightly-burning fireplaces.

One of the rooms is a parlour nursery, adorned with a children's linoleum rug, patterned in Mother Goose motifs. In the centre stands a large baby pen holding attractive toys. Cupboards and chairs, and two baby swings complete the furnishings. Outside on a sunporch stand a number of prams. Here the babies go for their fresh air. The other downstairs room is an office, but is soon due for a transformation—another nursery. Upstairs are three nurseries already filled to overflowing with their infant residents. The babies, seemed to sense that company was present. They donned their most inviting smiles along with their best dresses.

Receiving the guests were Mrs. J. Rodd Moffett, president of the Cradle, Mrs. L. C. Paulson, Mrs. Charles Rayden, Mrs. Wilmot Owens, Mrs. Allen Walker, Mrs. Ida Stock, Mrs. Esme White, Mrs. Dorothy Fish, Mrs. Virginia White, and Mrs. Boris Krenov. A large number of the guests left donations in the form of money, clothes or household linens.

RESIDENTS HONOUR MAYOR

Despite his wish not to celebrate his 50th birthday, in accordance with the principles of the New Life Movement, General Wu Te-chen has been the guest of honour in several parties arranged by local leading residents, merchants and bankers. Among the first who commemorated the occasion, which fell on Mar. 9, were a group of managers and editors of Chinese newspaper offices.

For his achievements in the development of Shanghai City and untiring efforts for the welfare of the people, a group of local public bodies including the Shanghai Civic Association and the Chinese Chamber of Commerce have decided to build a pavilion in the Civic Centre as a token of appreciation for his five years' able administration and also to commemorate his birthday.

TELESCOPED CAR HOLDS UP BUND TRAFFIC

"N.-C. Herald" Photos.

In trying to pass on the outside of a tram, a foreign-driven car was neatly sandwiched between it and one on the other track on March 14 on The Bund. The driver of the car was apparently uninjured. After a ten minute delay, in which trams were stopped the length of The Bund, the wreckage was cleared and traffic restored to normal. The top picture shows the wrecked car, with a foreign inspector of the tram company standing on it.

S.V.C. EXERCISES IN THE RAIN

"B" Battalion in Test of Police Liaison Scheme: Manœuvres in Western Areas

Imaginary mobs and riotous crowds had a bad time of it on March 10 in the Western District. Not only had they to turn out in cold and wet weather that certainly was not imaginary, but they had to face a determined force made up of police officers of the district concerned, "B" Battalion of the Shanghai Volunteers, and the Russian Regiment, reinforced by the Transport, Signals and Interpreter Companies, who were all in no mood for any funny business. It is perhaps rather fortunate for the mobs that they were only imaginary, being conceived in the minds of the police and S.V.C. Headquarters to test the effectiveness of the Police-S.V.C. Liaison Scheme.

The manœuvres were similar to the combined evening internal security exercises held during the middle of last month by "A" Battalion in the Central District, being designed to give the authorities concerned a practical idea of the good and bad features of the liaison scheme as it is at present drawn up, they lasted from 5 p.m. to 10.30 p.m.

The areas used in the exercise, which included the practice of the battalion, communication, supplies and transport, were the Pootoo, Gordon Road, Bubbling Well and Sinza districts. At 5 p.m., a detachment of the Russian Regiment arrived in lorries at the Gordon Road Police Station, and within a short while had been despatched to the Pootoo, Bubbling Well and Sinza police stations, leaving the senior officer in the Gordon Road station and one sentry on guard outside his door.

The Russian Regiment platoons were given various instructions by the police officers of the different stations to which they were attached, being called upon to dismiss imaginary crowds and guard mills and other important places in the area. For instance, one platoon mounted guard over the Power Company's substation in Tonquin Road, next to the Nagai Wata Kaisha cotton mills; another unit was sent to the Kiachow Road waterworks; while yet a third was to be found on duty at the Hart Road tram terminus, to the no small interest of an extraordinarily large crowd of school children and infants, who crowded the side-walks to stare at the men in khaki.

The Mobilization

Meanwhile, "B" Battalion, consisting of the American, Portuguese, Philippine and American Machine Gun Companies, were mobilizing under the command of Major G. M. Neal, O. C. the battalon, in the recreation ground of the S.M.C. Polytechnic Public School for Chinese, at the corner of Pakhoi and Kwangse Roads, which is the assembly area for this particular section of the volunteer corps. They were reinforced by platoons of the (Chinese) Interpreter Company, who were later attached to all bodies of troops with the especial duty of allaying the fears of any of the inhabitants in the maneouvre area who might be alarmed at the sudden display of force.

Back at S.V.C. Headquarters in the Administration Building, a car pool of the transport lorries was being formed, together with the establishing of communications with the battalion and the fitting up of the companies' field kitchens, the loading of stores and so on.

Shortly after 6.30 p.m., Major Neal reported that the battalion was moilized and ready. Lorries soon arrived from headquarters, and Major Neal was instructed to inform the various police stations of his whereabouts, orders were soon forthcoming for him to relieve elements of the Russian Regiment. Emergency calls were put through for him to send troops to the various centres until the whole of the battalion was in action.

Situation Eases

This part of the exercise included such duties as the guarding of vital points similar to the work begun by the Russian platoons, the drawing of cordons round certain "affected areas," and motor patrols. After some time had passed in the working out of various manoeuvres, it was assumed that the situation had eased slightly, and the companies were able to withdraw to their positions of readiness at the police stations. Here, they found the field kitchens smoking merrily despite the drizzle, and a light but hot and tasty supper was soon ready, to be even sooner consumed.

Supper over, "information" was received calling for the blocking of all roads in the area leading into the International Settlement from the west and the manning of bridges in the Sinza district. Lorries streamed fourth from the stations to the spots allocated, and as soon as all troops had reported that they were in position the exercise came to an end. The troops were dismissed, while Quartermaster-Sergeants and Unit Messing N.C.Os. returned the stories and field kitchens (or cooks' lorries) to headquarters.

With the completion of the manœuvres, the Police-Liaison scheme covering these two areas has been tested, and both police and S.V.C. headquarters will have some practical results to work on. "A" Battalion of the S.V.C., comprising "A" Company, "B" Company, the Shanghai Scottish, the Jewish Company, and the Air-Defence Company (a machine gun support unit) were tested on February 17, and "B" Battalion on March 10. In both cases, a strong detachment from the Russian Regiment, or "C" Battalion, opened the exercises.

BRAWL IN EXPRESS STEAMER

Foiled in an attempt to ship about $1,000 worth of coppers in the ss. Shanghai Maru on March 11, twenty Japanese passengers in the ship engaged in a violent altercation with Customs officials shortly before the ship sailed at 9 a.m., the local Japanese press said. The copper coins were seized by the Customs.

Three other Japanese carrying copper coins were also stopped before going aboard and compelled to remain in Shanghai by Japanese Consular police.

BRITISH CANDIDATES NAMED

Seventy Per Cent. Vote in Preliminary Ballot

The result of the "straw vote" organized by the British Election Committee to select the five British candidates for the forthcoming Municipal elections was announced on March 15.

The five candidates selected in the "straw vote" and who will be nominated for the Council are as follows: Messrs. Harold Porter, R. G. MacDonald, V. St. J. Killery, W. S. King and F. N. Matthews. The vote in the ballot amounted to over 70 per cent., of the number sent out. Nominations for the Council elections close at noon on March 27 and the elections are to be held on Monday, April 5 and Tuesday April 6 in the event of their being any competition for the seats.

The Five Candidates

Biographical details of the careers of the five British candidates follow:

HAROLD PORTER:—Late H.B.M. Consular Service, 38½ years in China, 8 years in Shanghai, Member of the Shanghai Muncipal Council 1935 and 1936, Late General Manager of the Pekin Syndicate, Ltd., Past Chairman of the China Association, Shanghai Branch, Past Chairman of the British Residents' Association of China, On board of the Lester Trust.

R. G. MACDONALD:—Messrs. Dodwell & Co., Ltd, 31 years in Shanghai, Deputy Commissioner, Shanghai Municipal Police (Specials), Vice-Chairman, British Residents' Association of China.

VALENTINE ST. JOHN KILLERY:—Imperial Chemical Industries (China), Ltd., 3½ years in Shanghai, Member of the Shanghai Municipal Council, 1934-35; Served on the Traffic Committee, S.M.C., 1935-36, Member of the British Chamber of Commerce Committee.

WILLIAM SEATON KING:—Messrs. Harrisons, King & Irwin, Ltd., Over 40 years residence in Shanghai, on Board of Trustees of Holy Trinity Cathedral, On Board of Trustees of the British Boxer Indemnity Fund, On Board of the Foreign Y.M.C.A., Chairman of the Committee of the Cathedral Girls' School, Vice-Chairman of the Committee of the British Chamber of Commerce.

FREDERICK NEWMAN MATTHEWS:—Chartered Accountant, Messrs. Lowe, Bingham & Matthews, 33 years in Shanghai, Served on sundry Committees in connection with the Shanghai Municipal Council.

Smart Work by Customs Preventive Force

It has been disclosed that the preventive officers of the Maritime Customs carried out a smart piece of work in arresting a ship's carpenter who is alleged to have confessed to having smuggled a quantity of opium on board the mv. Lossiebank, just before she sailed for New York. After that arrest, the Customs Officers thoroughly searched the Lossiebank from bow to stern for a space of over four hours and found no trace of other opium. It is assumed therefore that the preventive action was so swiftly taken that the intentions of the would-be smugglers were defeated and the ship left without any such commodity aboard.

LOCAL TRAM DISPUTE ENDED

The tramway dispute in the Settlement was definitely adjusted on March 15 at a conference between officials of the Shanghai Electric Construction Company and representatives of the workers involved.

A final agreement was reached, it is understood, on the basis of a slight modification of the retirement scheme adopted by the company. It is further understood that the revised scheme places the depot and workshop personnel on a similar footing in regard to retiring benefits as the Chinese outdoor staff, the conductors and motor-men.

Tramcar service in the Settlement was suspended for one day, on March 6, when the conductors and motor-men joined the then striking shop and depot staffs. The dispute had originated at the Hart Road depot a few days previously. There were no disturbances.

35 PRIMARY SCHOOLS ARE CLOSED BY CITY

Thirty-five primary schools situated in Chinese territory and the International Settlement which have been found not up to the standard, have been ordered to close by the Bureau of Social Welfare of the City Government of Greater Shanghai.

DEATH ANNIVERSARY OF PARTY LEADER

Occasion Observed in All Important Cities

The anniversary of the death of Dr. Sun Yat-sen, Founder of the Chinese Republic, was observed in all the important cities in the country on Mar. 12. National and Party flags were lowered to half-mast and all amusement centres were closed throughout the day.

In Nanking, memorial services were held at the Mausoleum and the Kuomintang Headquarters. Similar ceremonies were held here under the auspices of the Shanghai Kuomintang and the City Government. The anniversary was also observed as an arbor day marked by a tree-planting ceremony at the Civic Centre.

Chinese educational institutions and all Government offices suspended work for the day. A large number of industrial concerns, including the Nanyang Brothers Tobacco factory, the Yee Tsoong factory and the New Engineering and Shipbuilding Works observed the day as a holiday.

At the Civic Centre

A large group of City Government officials and Chinese military officers in Shanghai gathered in the auditorium of the administration building in the Civic Centre at 10 a.m., when a memorial service was held. Several hundred teachers and students of City Government schools also attended.

In recalling the revolutionary work of the late Kuomintang leader and his teachings, the Mayor emphasized the importance of the improvement of the people's livelihood as urged by Dr. Sun. China, he said, was an agricultural country, but the agricultural products purchased by this nation headed the list of China's imports. He asked all to join in the People's Economic Construction Movement launched by Gen. Chiang Kai-shek. Gen. Yang Hu, Garrison Commander of Shanghai and Woosung also dwelled on the significance of the occasion.

Following the ceremony, sixty shrubs were planted behind the City Government building. The Mayor and other officials personally planted them.

Another memorial meeting attended by representatives of public bodies was held in the People's Educational Institute in Wen Miao Road, Nantao, at about the same time. Mr. Pan Kung-chan, Commissioner of the Bureau of Education and concurrently Commissioner of the Bureau of Social Affairs, presided, and spoke on the life of the late Kuomintang leader.

"THE MYSTERY OF A HAREM"

Pasha	L. Rosen
Amina	S. Zorich
Zulika	M. Novatzkaya
Zarena	Z. Makarova
Muza	G. Koudinoff
Usoff	R. D'Oder
Donaque	S. Tomsky
Tereza, his daughter	Z. Bitner
Gaston	K. Ardatoff
Muhedin	P. Markoff
Dervish	A. Vasiliev

Mobilizing their best forces for the initial production, the Russian Light Opera Company staged at the Lyceum Theatre on March 13 "The Mystery of a Harem," by V. Valentinoff, an excellent opera in three acts.

Fastidious indeed must have been the music-lovers who failed to enjoy the performance, which is said to be one of the better of Valentinoff's musical operettas. Mr. L. Rosen, director of the company, had the role of Pasha and scored a considerable success, while Miss S. Zorich as one of his wives attracted the audience with her charming voice and graceful dancing which are her chief characteristics. Mr. Koudinoff as Muza was excellent and shows remarkable progress both in singing and acting. The young Mr. R. D'Oder is "at home" on the stage and is a very capable member of the company. Z. Bitner, the prima donna in the role of Tereza was at her best, while the rest of the Company were good. An augmented ballet, including Mr. F. Shevlugin and several soloists, rounded out a fine cast. Maestro A. Sloutsky directed the orchestra with his usual brilliance.

One note of criticism must be made—those in charge will please tonight's audience if they shorten the interval to fifteen minutes.

NEW MACHINERY CAUSES STRIKE

A short-lived strike occurred in the Sing Yue Cotton Mill No. 2, 8 Robison Road, on March 13 as a protest against the proposed installation of new machinery which may affect the workers' employment. The new machinery would tend to save labour.

All the employees left their work early in the morning, but returned to the factory at 12.30 noon. Negotiations for a definite settlement of the dispute are being carried out.

Police from the Pootoo Road Station are watching the situation.

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Arrivals and Departures

FAREWELL TO SIR JOHN BRENAN

Departing Consul Honoured by St. Patrick's Society: Ireland's Fine Record in China

The committee of St. Patrick's Society of Shanghai gave a tiffin on March 11 at the Shanghai Club for the purpose of saying farewell to Sir John Brenan, H.M. Consul-General, on the occasion of his leaving Shanghai.

The President of the Society, Mr. A. E. Fenton was in the chair, while those present were Sir John Brenan, Capt. J. E. Inch, vice-president; Dr. Jordan, and Messrs. S. W. Wolfe, E. F. Hardman and S. C. Young, ex-presidents; Messrs. R. S. Heaney, P. A. Corbett, Dr. F. T. Ranson, R. H. Davidson, C. C. O'Connel, W. G. Clarke, A. J. Kane, R. T. Peyton-Griffin, and Dr. W. R. Johnston.

In proposing a toast to the guest of honour, Mr. Fenton said:—

It gives me much pleasure to welcome here to-day on my own and on your behalf our distinguished guest and fellow countryman, Sir John Brenan, who is shortly leaving Shanghai to take up an appointment in the Foreign Office. Whilst we regret Sir John's departure, it is a source of great satisfaction to all of us to know that the interest and welfare of British subjects in China will still continue to receive his able attention and sympathy. For more than a decade past we have felt proud in the knowledge that the office of His Majesty's Consul-General in Shanghai has been filled by an Irishman, Sir John having succeeded our esteemed fellow countryman Sir Sidney Barton in 1930. As all of you know, Sir John is a life member of our society and one of its staunch supporters, ever ready and willing to render us his assistance whenever we required it. It is unnecessary for me to expand on Sir John's good qualities as they are so well known to all of us that mere repetition would be pointless.

In bidding you, Sir John, farewell, I take this opportunity to convey to you the whole-hearted wish of the Society for continued success in your career and in leaving us. Both Lady Brenan and yourself take with you our goodwill and our good wishes and should you ever return to Shanghai you will find a good hearty Irish welcome awaiting you.

Before I sit down I would like to say that it has been a source of real pleasure to all of us to have you with us to-day and we thank you for the honour you have paid us by your presence.

Sir John's Reply

"I want first of all to express my gratitude for the honour which you have done me in arranging this farewell lunch party for me," said Sir John in reply. "And my appreciation is none the less because I realize that the compliment is paid not only to me personally as a fellow member of St. Patrick's Society but also to the position which I occupy here as the local representative of the British Empire and of His Majesty the King.

"St. Patrick's Society in Shanghai is second to none in loyalty to King and Empire and we may well be proud of the prominent and distinguished part taken by Irishmen in building up British prestige and the British position in this country.

"To take a few names at random, I would mention Sir Robert Hart, the founder of the Customs Service, which, as you know is the corner stone of China's economic structure and of her foreign trade. And there is his latest successor, Sir Frederick Maze the present Inspector-General, who has maintained the integrity and efficiency of that service with the greatest ability through the most difficult period of the Chinese revolution, and with much less foreign support than was enjoyed by previous occupants of the post. I am glad to have the opportunity of paying this tribute to him from my personal knowledge.

"Sir Richard Dane was another Irishman who served the Chinese Government well. He created the Salt Administration and within a few years brought it to such a high state of efficiency that the revenue collected far exceeded all expectations.

"Then there was Sir John Jordan, probably the greatest Minister the British Government has ever had at Peking. I was privileged to be his private secretary for some years and to receive my early training at his hands. And we still have with us his son, Dr. Jordan, our capable Commissioner of Public Health.

"And finally it is unnecessary for me to remind you of my immediate predecessor Sir Sydney Barton, who was by no means a nonentity in Shanghai and has since become a world famous figure as our last Minister in Abyssinia.

A Proud Record

"There must be a host of other Irishmen who have done good work for British interests in China; there are indeed all those here present to-day. But the names I have mentioned are enough to show that our record is a proud one, and I personally am glad to have been a humble member in such goodly company.

"Well, Gentlemen, when your President transmitted your kind invitation to me he was good enough to absolve me from making a long speech on account of my many farewell functions so I will conclude by thanking you sincerely for your hospitality and for the warm-hearted manner in which you have received and endorsed the kind things your President has said about me. He evidently has a generous nature and is not unacquainted with the blarney stone.

"If any of you should be going home on leave in the near future we are likely to meet in London at the Thatched House Club or elsewhere and in the meantime I wish you all the best of luck in the years to come."

GEN. YANG HU GIVES LUNCHEON

Sincere appreciation for Sir John Brenan's co-operation during his tenure of office here was expressed by General Yang Hu, Garrison Commander of Shanghai and Woosung, at a luncheon party given in honour of the departing official on March 9. The speech was replied to in suitable terms.

The function took place at the Park Hotel and was attended by twenty persons, including Chinese and foreign officials. During the course of the luncheon, Chinese food was served in foreign style. A toast to the health of Sir John was proposed by the host and drunk by all present, Col. L. P. Sun, Secretary to General Yang, interpreted speeches with his usual ease.

Farewell Call at Lunghwa

Sir John called at the Shanghai and Woosung Garrison Headquarters on March 11 to say farewell to Gen. Yang Hu. He was accompanied by Mr. J. W. O. Davidson, the Superintending Consul.

Arriving at the Lunghwa Headquarters, the two officials were accorded with military honours. A military band also played the British and Chinese national anthems.

Gen. Yang, together with his secretary, Col. L. P. Sun, and Col. Chao Wei-sien of the Headquarters, met the visiting officials at the entrance. In the reception room, toasts were drunk to each other's health and the prosperity of each other's country. Both Sir John and Gen. Yang expressed gratification at the cordial relations and friendship between Britain and China and each thanked the other for close co-operation.

Local Merchants' Dinner

Sir John was the guest of honour at a party given by leading Chinese merchants and residents, including Mr. Yu Ya-ching and Mr. Wang Hsiao-lai, at a dinner in the Chinese Navigation Club in Canton Road on March 11. Dr. Y. M. Chien, Mr. Tu Yueh-sun, and Gen. Yang Hu were among those present.

CHINA'S DELEGATES TO EXHIBITION

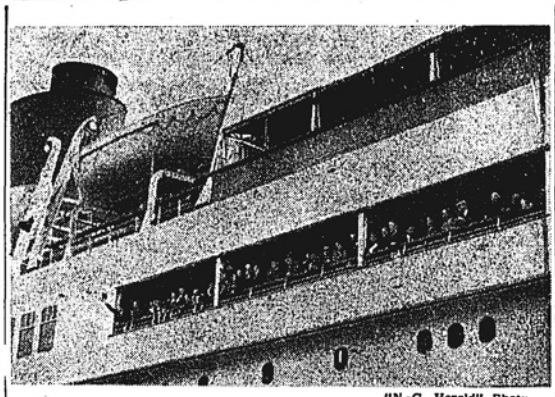
Group Leaving for Paris in mv. Victoria

A Chinese delegation has been appointed to participate in the forthcoming International Exhibition at Paris.

Headed by Dr. Chu Min-yi, former secretary-general of the Executive Yuan, the delegation is composed of four other members, namely, Messrs. Chao Tze-yu, Liu Hu-cheng, Hsieh Tung-fah and Liu Hsi-chang. Mr. Hsieh Tung-fan, a staff member of the Chinese Embassy in Paris, is now looking for a site for Chinese exhibits, while Dr. Chu and the other three members will sail on April 2 in the mv. Victoria.

Word has just been received here that the Hopei and Charhar Political Council has commissioned Mrs. Hsiung Shao-ho, wife of a member of the Foreign Affairs Committee of the Council, and Miss Tang Yung-ling to attend the exhibition. The two women delegates will come here from the north to join Dr. Chu's party.

Meanwhile, Chinese articles from various parts of this country assigned for display in the international exposition are now being concentrated here. They will be shipped to Paris in two consignments, one leaving on April 3 and the other on April 17.



"N.-C. Herald" Photo.

AUSTRALIAN ROTARIANS ARRIVE

On a goodwill mission to the East, a party of 62 Australain Rotarians arrived in Shanghai on March 13 on board the Scharnhorst. They are here seen getting their first glimpse of Shanghai as the liner came alongside the wharf.

ENVOY RETURNS FROM TOKYO

Ambassador to Japan Holds National Unity Certain

That China's unity and the support of its people to the Government and leader were affecting Japan's policy towards China was the belief expressed by Mr. Hsu Shih-ying, Ambassador to Japan, who arrived in the ss. Empress of Canada on March 9 to report his duties to the Central Government.

Accompanied by Mr. Huang Po-tu and Mr. Wu Mai, secretaries of the Chinese Embassy in Tokyo, and a small retinue, Mr. Hsu was greeted upon his arrival by a large number of representatives from various local public organizations and high government officials, prominent among them being, Gen. Chang Chun, Secretary-General of the Central Political Council, Mayor Wu Te-chen, Dr. C. T Wang, Mr. Chow Chueh, director of the Shanghai Office of the Ministry of Foreign Affairs, Mr. Pan Kung-chan, director of the Bureaux of Social Welfare and Education, and Messrs. Tu Yueh-sen, Wang Hsiao-lai, Ling Kong-hou, Wang I-ting, and Chu Ching-lan.

Duties Fulfilled

In a written statement to the press Mr. Hsu declared that during his stay in Japan, his duties as Chinese Ambassador had been carried out in strict accordance with the instructions and policy of the Central Government.

Mr. Hsu regretted the successive occurrences of the Liang Kwang impasse, the Chengtu, Pakhoi, Shanghai, and Hankow incidents, the invasion of Suiyuan by the "Irregulars," and the Sian mutiny. In spite of these affairs, he said, he entertained the firm belief that the National Government's great task in unifying the country would undoubtedly be realized and that the people of the whole country would rally under the guidance of the Central authorities and march forward towards the goal of national rejuvenation.

"I am not pessimistic in this regard" Mr. Hsu said, "and I hope the people of the friendly nations will not belittle this belief."

With the early liquidation of the Sian imbroglio, the loyal support of the Chinese people given to their leader and their willing co-operation had been clearly demonstrated to the world. As a result of this new spirit, Mr. Hsu said, Japan had sounded the note for the reorientation of her China policy and for a correct understanding of this country.

Japan's Developments

Citing Japan's rapid developments in the fields of commerce and industry, Mr. Hsu exhorted the Chinese people to redouble their efforts in their duties to the country in order to find a way out of the present crisis.

Continuing, Mr. Hsu declared that diplomacy must be carried out with justice and that the realization of justice in diplomacy depends on the sincerity on the part of the diplomat. While he was in Japan, he said, he fulfilled his duties on the basis of this principle.—Central News.

ABOUT five hundred workers of the Mayar Silk Mill's No. 10 factory in Chapei suddenly struck work on on March 11 and presented three demands to the management, including one for 30 per cent. wage increase. Upon receipt of a report of the strike, the Chapei police detailed officers to the factory to prevent possible disorder. Social Affairs Bureau officials are trying to persuade the strikers to resume work, pending a peaceful settlement of the dispute.

INSPECTOR J. MOIR HONOURED

Presentation to Popular Police Hero

With a host of his friends present, Mr. James Moir, who left the Shanghai Municipal Police on March 9, was on March 8 the subject of a presentation made by ex-comrades in the Police, held at Hongkew Station in the Reading Room. The popular ex-Inspector and hero of many encounters with armed desperadoes was given an inscribed gold watch; a monogrammed silver cigarette-case; and a monogrammed silver match-box.

The presentation was made by Supt. J. Sinclair, who in a few, well-chosen words described the remarkable career of Inspector Moir during his comparatively short connection with the Police. Mr. Moir responded suitably. Present were besides a large and representative section of the Police, many other friends representing the Press and other walks of life.

Distinguished Career

Mr. Moir has spent a little over eleven years in the Settlement Force and his rapid promotion has been due to his outstanding ability and courage in the performance of police duties. He has served with exceptional merit in both the uniform and detective branch and has held responsible posts in the two divisions. Before he went on his second long leave, he was Senior Detective, with the rank of sub-inspector, at the Chengtu Road Station. He was promoted to inspector—one of the youngest to attain the rank—while on leave, and when he returned he was assigned to uniform duty at the Way side Station, where he was made second-in-command. He held that post until his retirement from the Force a few days ago.

The three decorations which Mr. Moir earned for conspicuous gallantry in the performance of duty are the S.M. Police Distinguished Conduct, First and Second Class, and the French Gold Cross "pour valeur," which has never before, or since, been bestowed on a member of the Settlement Police. Mr. Moir thus is the only holder of all three decorations at the same time.

It was in August, 1929, some months after he had received the S.M. Police D.C.M., Second Class, for "shooting it out" with armed robbers, that Inspector Moir fought his most spectacular battle with desperate criminals. It was in the early morning of August 25 and Mr. Moir, then a detective-sergeant attached to Central Station, had been apprised of the presence of armed kidnappers in a small house in the French Concession. He entered the place, encountered seven desperadoes, shot and killed three instantly, wounded two others and then, although himself wounded, helped in the capture of still others. After the fierce battle he was confined for a brief period to the General Hospital until his wound healed.

Kidnapped Man Released

The case involved the kidnapping of a prominent Chinese, Mr. S. C Yok, who was released through Inspector Moir's action. The calibre of his assailants, who were hardened criminals, was reflected by the condition of the steel waistcoat he wore and the shield he carried, after the gunsmoke had cleared. The shield was dented by four bullets, while the waistcoat bore three bullet marks. One of the latter indicated the spot where a shot penetrated the shoulder strap and wounded the brave officer in the shoulder. Had he not carried the shield, he would undoubtedly have been killed by the bandits. His own companions, outside, were unable to reach him in time to assist him, but he fought his lone battle as if he needed no help, and that despite the fact that he was fired upon from two vantage points.

As his companions came upstairs, Moir shouted to them that he had finished the job. They noticed blood running down his sleeve and asked if he had been badly wounded. He replied that he had felt a slight sting while shooting but had thought nothing of it. His comrades finally persuaded him to go to hospital.

Mr. Moir left Shanghai on March 9 in the ss. Nanking for Australia.

GOOD-WILL MISSION FROM AUSTRALIA

Sixty-Two Rotarians Arrive in Scharnhorst

Delayed four days by a cyclone off the coast of New South Wales, a party of 62 Rotarians including the ladies, arrived in Shanghai on March 13 in the N.D.L. ss. Scharnhorst. The group is making a good-will tour of China and Japan and received a warm reception from friends here and officers of the local Rotary Club.

Despite the cyclone, the passage north from Australia was a great pleasure, members of the party said on March 13 when interviewed by a "North-China Herald" reporter.

The mission started from Melbourne under the leadership of Mr. Angus S. Mitchell with about twenty people sailing in the ss. Tai Ping. The ship put into port at Sydney and sailed again with the group swollen to about twice its former size. Again at Brisbane, the party was joined by other Rotarians and after stops at Townsville and some of the other Australian ports a total group of 62 was on its way to China.

A big reception was accorded the visiting Rotarians in Manila where the party spent two days and from remarks made on Mar. 13 they evidently came away from that city with very pleasant memories. Owing to the delay off the coast of New South Wales, the ship only hesitated briefly before continuing north to Hongkong, where the visitors received another cordial reception. The last part of the trip to Shanghai was on board the Scharnhorst.

Dance at Astor House

The most formal event by which Shanghai arranged to welcome the Australian Rotarians was a dance held on Mar. 13 at the Astor House Hotel. Each of the various nationalities which are represented in the local Rotary Club contributed special numbers to the extensive programme. The affair was arranged by the Shanghai Rotary Club under the personal direction of Mr. W. J. Hawkins and his committee, and proved to be a great success.

Responding to their varying inclinations, the members of the group set out in many different directions on March 13 and were to be seen about the city in small groups for the most part. Mr. E. S. Little, hon. secretary of the Rotary Club of Shanghai, distributed a large number of tickets to the Race Meeting among the visitors, when he met them in the ship.

Arrangements in Japan

About two weeks will be spent in Japan by the Australian Rotarians in response to the invitation of the Japanese Rotary Clubs. They will be guests, according to arrangements, at nine Rotary meetings, beginning with a luncheon in Yokohama. After visiting many cities in Japan, the party will disband in Kobe with some of the members returning southward on March 30 in the ss. Patroclus, others on April 2 in the ss. Yasukuni Maru. The Empress of Japan, due to leave Kobe on April 4, is also expected to carry some on the homeward journey.

Members of the visiting party are:

Mr. and Mrs. J. E. Arnold, Mr. and Mrs. A. Bilson, L. M. Brown, Mr. and Mrs. H. Cargeeg, Mr. and Mrs. L. Castles, Mr. and Mrs. M. Castles, J. B. Coltup, Mr. and Mrs. S. R. Crick, Miss P. Davis, A. J. Eckersley, J. A. Elliott, J. Grant, Mr. and Mrs. G. Griffiths, A. A. Griffiths, Miss M. I. Griffiths, C. Holmes, Mr. and Mrs. W. Johnson, Mr. and Mrs. A. M. Johnston,

Dr. and Mrs. A. M. Langan, Mr. and Mrs. G. J. Levey, R. Levey, Miss O. Limb, G. H. Limb, Mr. and Mrs. Angus S. Mitchell, Miss M. Mitchell, Mr. and Mrs. R. J. Morris, Dr. and Mrs. S. J. Newing, Mr. and Mrs. A. C. Parker, W. Pender, G. T. Pender, Miss J. M. Pender, Mr. and Mrs. H. Podosky, Mr. and Mrs. E. Proud.

Mr. and Mrs. J. Ritchie, Mrs. L. Steele, Mr. and Mrs. L. Napier-Thomson, C. Napier-Thomson, Miss L. M. Napier-Thomson, R. Walters, W. Wiseman, Mr. and Mrs. T. Wollaston, and Mr. and Mrs. C. Woodward.

Mr. W. W. C. Shewan, one of the representatives of the Hongkong Naval Volunteer Force to attend the Coronation of King George VI, and Mrs. Shwan sailed for England from Hangkong in the ss. Nalder a several days ago. Other passengers in the same vessel were Sir Francis Cowlin, Gen. Sir Alexander and Lady Godley, Mr. Justice Hayden and Mrs. Hayden, Mr. G. R. Sayer, Director of Education, Hongkong, and Col. V. R. Burkhardt.

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FAMOUS VIOLINIST EXCUSES "JAZZ"

Justifiable If It Makes People Happy

Although Mischa Elman, the famous violinist, prefers to play music by the classical composers rather than by the modern school, he does not scorn such a modern convenience as a zip fastener for keeping his Stradivarius tightly locked in its case. Cheerful and full of life, Mr. Elman chatted gaily about dance music, (against which he holds no prejudices), Chinese music, modern violinists, and chess, one of his favourite recreations, in an interview with the "North-China Herald" at the Cathay Hotel on March 14. Dance music he excuses on the grounds that anything which makes people happy is justifiable. "I am only interested in the happiness of the human being", he said, and the fact that he is able to give this happiness in a different way does not enter into the question. Players of "jazz", however, should stick to jazz, and not attempt to play classical music.

As far as Chinese music is concerned, Mr. Elman considers that it is hard for a foreigner to get a real emotional reaction to it, but the many hundreds of Chinese who were now interesting themselves in Western music should be able to give form to their own native music. Mr. Elman said that the Chinese had made great progress during the last fifty years as regards the appreciation of Western music.

Youthful Forgetfulness

With a twinkle in his eye, Mr. Elman recalled an occasion many years ago, when, at the age of five, he made his first public appearance. He was to play before a group of friends at the palace of a Russian countess. The journey from his own home occupied two hours, and on arrival at the palace, it was found that he had left his bow, one quarter size, behind at his house. As there was not another of this size available, the select audience had to wait two hours while the little bow was procured. The delay put back his recital practically into the small hours of the morning. "I did not get to bed until two o'clock," he confided.

Mr. Elman explained why he kept practically exclusively to the classical composers as distinct from the modern school. "I don't honestly think that the moderns have written anything worth while," he said, "at any rate, not so far as the violin is concerned. The violin, you must remember, is the instrument which most closely resembles the human voice. It can't stand discords. It has to have real melody, and only then does it show its true value. Modern composers are trying to use the violin just as a unit in an orchestra, and the instrument never really stands out in their compositions."

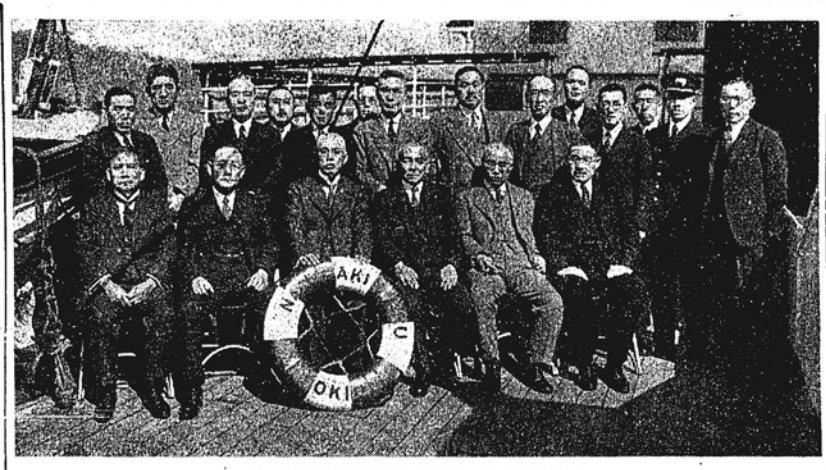
As far as violinists themselves are concerned, Mr. Elman thinks that the standard is much higher to-day than ever before, and it is more difficult to get to the top as a result. The possibilities of the violin had been all but exhausted, apart from a very few violinists. This high standard, towards which violinists had been progressing for generations, would be kept up as long as the violin retained its present form. "It is the only instrument that has gone through no changes or modifications," said Mr. Elman.

His Idiosyncrasy

Most famous people, Mr. Elman was reminded, had their idiosyncrasies. Taking the hint, he pointed out that his own idiosyncrasy was that he had no idiosyncrasy. He was, he said, an early riser. Except when the strain of constant public performances necessitated a short rest, he practises each day, as he finds this necessary in order to maintain the high standard which he has set himself. His hobby is to try to defeat his accompanist, Mr. Vladimir Padwa, at chess.

The sympathy and kindliness of many prominent musicians is well known, and it was easy to see that Mr. Elman is to be included in their number. One of the things which touched him most during his present tour was a letter which he recently received from a Chinese girl in Peking. "I pawned my coat to come and hear you play," she wrote, "and then found that all the seats had been sold. I am writing to ask you whether you are giving another performance here so that I can come and hear you."

Mr. Elman has a pleasant philosophy and outlook on life. One of the great violin players of the age, his chief joy is that he is able by this means to make other people happy. He does not mind if other people are happy listening to dance music on the wireless. Greatness in his profession has not made him difficult of approach. On the contrary, his cheerful manner at once creates a friendly atmosphere and puts the stranger at his ease.



JAPANESE ECONOMIC MISSION ARRIVES

Members of the Japanese Economic Mission to China arrived on March 14 in the ss. Nagasaki Maru. In the above group, taken on the steamer, the group with their staff are shown. Seated, left to right, Mr. O. Shoji, Mr. H. Miyakegawa, Mr. K. Kodama, leader of the mission, Mr. I. Io, Mr. K. Kato, Mr. S. Miyajima. Among those standing are Mr. K. Aburatani, Mr. I. Fujiyama, Mr. Akiyama, Mr. S. Hori, Mr. L. Ishida, Mr. K. Ohira and Mr. R. Toyoda.

MISSION TO STUDY SINO-JAPANESE TRADE

Leading Nipponese Business Men Arrive in Shanghai to Confer with Nanking

FOURTEEN of Japan's leading bankers, industrialists and shippers arrived here on March 14 for a series of conferences with Chinese businessmen and officials of the Nanking Government.

A large crowd greeted the Japanese mission when the ss. Nagasaki Maru tied up at the Wayside Wharf of the Nippon Yusen Kaisha. Included among them were: Mr. Tatsuo Kawai, Japanese Consul-General; representatives of the local Japanese community; Mr. Chou Tso-min, President of the Kingcheng Banking Corporation and Chairman of the Sino-Japanese Trade Association; and Mr. Hsu Shih-ying, Ambassador to Tokyo.

Mr. Kenji Kodama, head of the mission and former President of the Yokohama Specie Bank, declined to make a detailed statement on the aims and hopes of the group.

"We came here at the invitation of the Sino-Japanese Trade Association, and have no special mission to perform.

"I am very pleased at having an opportunity to meet here some of my old acquaintances, whom I have not seen in seventeen years."

Mr. Kodama once served in Shanghai as the manager of the local branch of the Yokohama Specie Bank.

Immediately after landing, the mission made calls of courtesy at the Japanese Consulate-General; on Vice-Admiral Kiyoshi Hasegawa, Commander of the Third Fleet, aboard his flagship the cruiser Idzumo; and on Rear-Admiral Koshiro Kondo, Commander of the Special Landing Party.

In the evening, the members of the mission were the guests of honour at a banquet given by leading local residents at the Japanese Club.

Later, they boarded a special car attached to the Nanking-bound train. On their arrival at the Capital this morning, the group will face a busy programme of interviews with Government officials and various formal functions.

Members of Party

In addition to Mr. Kodama, the mission included: Mr. Noboru Ohtani, President of the Nippon Yusen Kaisha; Mr. Keizaburo Kato President of the Bank of Chosen; Mr. Hyakutaro Miyakegawa, adviser to the Mitsubishi Trading Company; Mr. Seiiiro Miyajima, President of the Nisshin Cotton Textile Company and Mr. Reisuke Ishida, managing director of the Mitsui Bussan Kaisha.

Other representatives of the Tokyo business world were: Mr. Shin Hori, President of the Nisshin Kisen Kaisha; Mr. Ikuki Akiyama, adviser to the Mitsubishi Goshi Kaisha; Mr. Aiichiro Fujiyama, President of the Nippon Sugar Company; and Mr. Kyoichi Aburatani, director of the Sino-Japanese Trade Association.

Osaka Men

Osaka is represented on the mission by Mr. Otokichi Shoji, President of the Tokyo Cotton Textile Company and Chairman of the Dai-Nippon Cotton Textile Association; Mr. Kensaku Ohira, managing director of the Sumitomo Bank, and Mr. Ichiji Iio, President of the Dong Shing Spinning and Weaving Company.

Nagoya is represented on the mission by Mr. Risaburo Toyoda, President of the Toyoda Cotton Spinning and Weaving Company.

The mission is accompanied by a suite of seven.

Among others greeting the mission upon its arrival were Mr. Chow Chueh, Director of the Shanghai Office of the Ministry of Foreign Affairs, Messrs. Yu Ya-ching, Lin Kang-hou, Tu Yueh-sen, Y. M. Chien, and a large number of local industrial and commercial leaders.

NEW COUNSELLOR OF ITALIAN EMBASSY

Distinguished Career of Com. Alessandrini

Comm. Adolfo Alessandrini has arrived in Shanghai to assume the office of Counsellor of the Italian Embassy in China.

Born at Suzzara in 1902, Comm. Alessandrini has had a distinguished career. He graduated from the University of Bologna where he obtained a degree of Doctor in Law and afterwards he excelled in an examination by the Ministry of Foreign Affairs for those intending to enter a diplomatic or consular career and was called on to attend the conference for the delimitation of the frontier between Cyrenaica and Egypt. At the conclusion of this task, he was attached to the Italian Legation at Cairo and afterwards at Belgrade.

From Belgrade he was appointed to the Cabinet of the Minister at the Ministry of Foreign Affairs in Rome. On April 15, 1935, owing to the Ethiopian campaign, he enlisted in the army and served throughout the campaign and May 5 last he was appointed Civil Vice-Governor of Addis Ababa. On June 11, Comm. Alessandrini took charge of the General Department for Propaganda at the Ministry of Press and Propaganda and on March 9 was appointed Counsellor of the Royal Italian Embassy in China.

During the Ethiopian campaign Comm. Alessandrini was twice decorated with medals for military valour for gallantry and bravery during the campaign. He was also created Major of the M.V.S.N. on October 28, 1936, by special choice.

Comm. Alessandrini also possesses high Italian decorations such as the Order of the Colonial Star and the Order of the ss. Maurizio and Lazzaro.

M. Albert Bodart, former French Minister in Addis Ababa, who formerly held a number of diplomatic posts in Far Eastern countries, including China and Siam, has been appointed French Minister to Iran.

News have been received that Mr. Li Hin-lung, a graduate in architecture from Liverpool University and son of Mr. Li Hoi-tung of Hongkong, who recently returned from England, has been elected a member of the Royal Institute of British Architects. Mr. Li is now in charge of the Architectural Department of the Whampoa Port Development Administration Office, Canton.

OPTIMISM OVER THE YELLOW RIVER

Head of Conservancy Work Outlines Control Plan

"Given time, which is essential, and with scientific methods and technical devices at our disposal, we shall be able eventually to subjugate the Yellow River, or 'China's Sorrow', and place it under human control."

This outburst of optimism, coming as it did from Mr. Kung Hsiang-yung, chairman of the Yellow River Conservancy Commission, carried with it a good deal of weight, for if there is any one in China who knows much about controlling the truculent and mischievous river, he is the man.

Mr. Kung has just concluded one of his periodic visits to Nanking to confer with officials in the National Economic Council, and especially with Dr. H. H. Kung, Minister of Finance, who is concurrently a member of the standing committee of the N.E.C.

In addition to the engineering department in the conservancy commission, which has been in charge of all technical planning for the ultimate control of the river, a so-called river defence department has been created Mr. Kung revealed. This new department has four sections each responsible for a particular task.

The first section, that of repairing, has the assigned duty of examining the need of repairs along the river, and of making necessary preparations therefor. The second section will be in charge of both the telegraphic and telephonic communication between various points along the river in order to facilitate exchange of reports. It is also responsible for maintaining highways parallel to the river in good condition.

Concentration of Stores

The third section, Mr. Kung said, takes care of the transportation of all raw materials for conservancy purposes. At important points along the river such as at the Yellow River bridge in Shantung and at Lanfeng in Honan, depots will be established where large quantities of building and repairing materials will be held ready to be rushed to any point, whenever necessary. The projected railway between Lanfeng and Tongkou in central Honan, upon its completion, will also be placed under the transportation section.

The training of all able-bodied civilians and soldiers in districts watered by the Yellow River in the technique of repairing dykes and doing other types of river defence work, forms the task of the fourth and last section under the new river defence department.

Mr. Kung was pleased with the gradual concentration in the hands of the Yellow River Conservancy Commission all powers which until recently were shared by the provincial authorities, for this new unity, made possible by the transfer to the commission of river bureaux in Honan and Shantung, promises to expedite matters considerably, especially in times of emergency.

The only province which has not thus handed over its river bureau to the commission is Hopei. Negotiations are now under way, however, and Mr. Kung hopes that before long the authorities in Hopei will also come round to realize the necessity of co-operating with the Yellow River Conservancy Commission, which was established to take care not of certain sections of it but of the entire river.

RADIOPHONE service between Japan and Siam was inaugurated on March 11. The charge for a three-minute call is Y.36.

MR. K. PARKER VISITS SHANGHAI

Across Pacific in Clipper Plane One Minute Late

"We arrived one minute late in Manila from California in the Clipper Ship, but the captain apologized for the delay, so it was all right," said Mr. Kenneth Parker, President of the Parker Pen Company, in an interview on March 8 with a representative of the "North-China Herald." He waxed enthusiastic over the spectacular trans-Pacific flight, exclaiming that it was "a delightful trip—fast, efficient and safe!" There were thirteen passengers in the plane, he said, and great quantities of mail.

Visiting the Orient for the first time in a combined business and pleasure trip, Mr. Parker went from Manila in the first part of February to Singapore and thence to Java and then back to Singapore and Hongkong, where he caught the ss. Conte Verde which brought him to Shanghai.

Approximately 25 per cent. of the Parker fountain pens are sold in the Far East and Mr. Parker expressed pleasure at the rapid increase of sales, particularly in the Philippines and India.

But he expressed displeasure about the infringements on Parker patents which have grown to serious proportions. He said that in the Orient the pen is being copied, especially by Japanese, and being sold. Various patented characteristics are being reproduced and one of the purposes of Mr. Parker's trip is to see about putting an end to the practice. Legal steps will be taken, he said, against those who have been ignoring patent rights.

Remarkable Tests

About 39,000,000 Parker fountain pens and mechanical pencils are in circulation, he said, and the output each year by his factories is between two and three millions. The spectacular tests of the strength of the pen which were popular in the United States several years ago are about over, for those tests, he said, were for the particular purpose of substantiating the claims of the company. Pens were dropped from planes and on to streets from the tops of skyscrapers without being damaged. Now the strength of the pen is generally recognized.

"It would be surprising to most people to see the tremendous machines which produce pens in our factories," he said. "Most people think that a pen, weighing a matter of ounces, would be manufactured by little machines, but many of the machines in our factories at Janesville, Wisconsin, weigh tons. Hand labour is applied," he added, "to the shaping of the points for the most part."

Like automobiles, aeroplanes, etc., Parker pens are exported to a large extent in parts and later reassembled. In sending pens to Europe this practice is resorted to because of tariffs which make it uneconomical to ship the pens whole.

The Parker Company was founded 46 years ago by Mr. G. S. Parker, father of Mr. Kenneth Parker, who is travelling with Mr. F. W. Matthay, his export manager.

ANOTHER EURASIA PLANE ARRIVES

Giant Passenger Ship Flies from Berlin in 8 Days

Constituting another step forward in the development of China's civil air service, the newly purchased Junkers passenger plane of the Eurasia Aviation Corporation arrived here from Berlin on March 11 and will be put on the regular run on the company's lines within a few days.

The giant tri-motor air liner, which is capable of accommodating seventeen passengers and is of the same type as other passenger planes of the corporation, zoomed into sight at the Lunghwa aerodrome sharply at 2 o'clock, reaching here one day ahead of time due to favourable weather conditions.

After circling over the air port once, it made a perfect landing at the field and taxied near the station where the corporation's entire body of workmen and officials and a large number of guests, including Mr. R. Sterz, representative of the Junkers-Flugzeugwerk, gathered to welcome the arrival.

The new plane took off from Berlin on the morning of March 3, and winged its way here across two continents passing through, Athens, Bagdad, Djjask, Calcutta, Bangkok and reaching Hongkong at 4.08 p.m. on March 10. It took off from the Colony at 9 a.m. on March 11 and flew directly here, completing the whole journey in eight days.

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By Stroy

During the past week the attention of the Russian community was attracted by the statement of Mr. P. T. Tsao, Director of the People's Training and Movement of the Special Kuomintang District, to the effect that Chinese authorities are working on a plan to limit the number of Russians entering China. It is hoped in this way to stem the influx of Russians from Harbin. The reason for this restriction is alleged to be the suspicious activity of certain Russians in South China; although what this activity is, and who these Russians are, so far remains unknown.

The great majority of Russians who during the last few years emigrated from Harbin to Shanghai, did so for the simple reason that with the altered conditions in Manchuria it became increasingly difficult for them to find work. They were lured to Shanghai by the prospect of better positions. The number of these men who had to leave Harbin for political reasons is meagre; and even they, as far as we know, offer no danger to the authorities.

Chinese official circles are likewise contemplating an increase in the cost of passports and visés, and concerning this move there should, in the very near future, be a formal announcement from the Bureau of Public Safety, through the Emigrant Committee and the United Russian Association (SORO). The Russian colony is somewhat disturbed by these developments, but feels certain that they will not be charged more than other foreigners in China who possess no extraterritorial rights, as that would be unjust, considering the fact that Russians are, after all, less secure materially.

According to Dr. Hung Chi-wen, Chief of the Second Division of the Bureau of Public Safety, to register will henceforth cost $3 and a passport for travel out of China (which, by the way, will be valid for one year only) will cost $4. If, however, the holder does not return to China within a year, he will have to pay a considerable sum in order to receive a new passport.

Local Population

In connection with the above, it is of interest to revive the question—how many Russians are there in Shanghai? The existing answers to this are widely divergent. Recently we were informed by one of Shanghai's broadcasting stations that according to Chinese sources 12,000 foreigners arrived in Shanghai during the last year, and the greater part of these were Russians. Mr. J. R. Jones, however, in addressing the Rotary Club remarked that the number of Russians in Shanghai closely approached the 15,000 mark; and Russians themselves often boast of a population of 25,000 or even 30,000. A census taken at the end of the year 1936 by French Municipal authorities revealed that the Concession holds 12,880 Russians. In the Settlement there were counted 4,000; but when it is taken into consideration that at least a thousand odd Russians represent a transient element not easily submitting to statistics, and that a fixed percentage of Russian Jews, Latvians, Ukrainians, Georgians, Armenians and even Poles, speak Russian and work for Russians officially do not count themselves Russian, it can be estimated that at present Shanghai's Russian colony numbers approximately 20,000.

Last week was, among Russians, the merriest season of the year. Before the revolution "Maslianitza" (closely akin to the English shrove-tide,) was a crowded week of bubbling gaiety—masquerades, balls, luncheons and dinners with friends, after which everyone who could, raced through the city on spirited "troikas," with the horses brightly festooned and the carriages hung with carpets. "Maslianitza" was the week preceding the seven weeks of Great Lent, and the national dish at this time was "bleeny," or pancakes à la Russe. There is a distinct art in eating "bleeny," and foreigners indulging in this delicacy often commit the sacrilege of leaving out certain ritual. First of all the pancakes are evenly spread with butter melted to just the right degree, and great care must be taken to use neither too little or too much. Sour cream, caviare, salmon, and other palatable and spicy accessories follow, and only practice teaches one how to manipulate them to best effect.

Starting this Monday and continuing through the seven weeks of Great Lent up to Russian Easter, old men and all deeply religious Russians will abstain from pleasures and from meat. During the first, fourth and seventh weeks, the more fervent refrain from touching even fish. The clergy attend church services attired in black robes, and many people go to the priests to confess their sins and—after penance—to partake of the Holy Communion.

Night Life Activity

In Shanghai's night-life Russians take an active part. In spite of the depression, nearly every week sees a new restaurant or cabaret spring into being; and in the near future two carbarets are to open. Both promise a high standard of entertainment. One will have a jazz orchestra from Europe, while the other will present that famous Melodist of the Mood, Alexandre Vertinsky.

The Russian Club in Avenue Foch (near Rue Amiral Courbet), which now occupies a spacious and comfortable building, arranged ball-masquerades every Saturday night; and at these the younger set was well represented. The Russian Jurists Association recently held their annual meeting. The cloak of President fell on the shoulders of Mr. Ch. Metzler, while Messrs. L. V. Arnoldov and N. M. Yakovlev were elected Vice-Presidents, Mr. S. P. Dobrovolsky Hon. Secretary and Mr. N. G. Rachkov Hon. Treasurer.

Dr. Germaine Appell-Duceaux, the Paris specialist on electro-radiology, has kindly consented to take over the direction of the X-ray department of the Russian Orthodox Confraternity Hospital.

Last Thursday the Russian Commercial School in Avenue Petain had the altar of its church consecrated by Bishop John. After the religious ceremony the guests were offered tea. Among those present at the ceremony were Dr. D. I. Kazakov, President of the Russian Orthodox Confraternity, General V. D. Narbout, Principal of the School, Prof. N. P. Pokrovsky, Mrs. O. A. Drozdova, General A. I. Isakov and many others.

WEDDING

Mackenzie—Gaechik-Romanchik

The wedding of Miss Valentina Victoria Gaechik-Romanchik, the younger daughter of Mr. and Mrs. A. Gaechik-Romanchik, and Mr. Kenneth Stuart Mackenzie, the only son of Mr. and Mrs. A. S. Mackenzie, took place in Shanghai on March 13. The civil ceremony at H.M. Consulate-General in the morning was conducted by Sir John Brenan, the Consul-General who rarely officiates at marriages.

Dean A. C. S. Trivett performed the rites at the Cathedral ceremony at 3 p.m., which was attended by a large number of friends and relatives of the couple.

For the Cathedral wedding the bride wore a white chiffon velvet dress cut on princess lines and embroidered in pearls down the front. The dress had a long circular train and the veil was attached to the head by a Juliet cap of pearls and a wreath of orange blossoms.

The bride was given away by Mr. Charles D. Belton. Her aunt, Mrs. W. T. Bould, attended as matron of honour, wearing a royal blue chiffon velvet with a toque to match.

Mr. George Mackenzie Cowe was the best man and Mr. T. S. R. MacIntyre and Mr. P. F. Given-Wilson were the ushers.

After the ceremony a reception was held at the home of Mr. and Mrs. C. D. Belton at 525 Avenue Haig.

Mr. Mackenzie is an active member of the A. D. C. and is employed by the General Accident, Fire and Life Assurance Corp., Ltd. He is leaving Shanghai for an 18 months' transfer to Singapore.

For her going-away-costume Mrs. Mackenzie wore a rust-coloured knitted suit with tunic effect and a felt hat of the same colour.

CHILD DIES IN FIRE AT MIDNIGHT

A small Chinese girl was burned to death in a fire at Tonquin and Robinson Roads early on March 12. Three shops were damaged and the body of the child was subsequently discovered in the ruins. The fire started at midnight.

Shortly before daylight another disastrous fire occurred, at 568 Honan Road, a lodging house, which was badly affected by the flames. Many sleepers were forced to flee into the cold night in light clothes.

TWO MEN MURDERED IN CHAPEI

Two bodies of unidentified Chinese were found in a pond in Tan Ka Chiao district, Chapei, at 11.30 a.m. on Mar. 12. Chinese Police, who made investigations on the scene, found traces of blood in a cemetery near the pond.

The Chapei Police believed that the men had been murdered somewhere and the bodies were then carried to the pond.

OBITUARY

M. Rene Fano

The death occurred in Paris on March 8 of M. René Fano, a popular member of the local French community, at the age of 58 years.

M. Fano, who was born in Paris on February 8, 1878, first came to China in 1902 as cashier to the Banque de l'Indo-Chine. Three years later he went into business on his own account as an exchange broker and actively followed that profession until 1931, when the pressure of his other interests made it necessary for him to devote the whole of his time to the corporations with which he was affiliated. He was chairman of the International Savings Society and of the Assurance Franco-Asiatique, and a director of the Foncière de Chine and the Compagnie Franco-Américaine d'Assurances.

In addition to his many business interests M. Fano found time to serve the community for many years as a member of the French Municipal Council, and also as president of the Cercle Sportif Français. His services were recognized by his own government which created him a Chevalier de la Légion d'Honneur, while he was also the holder of the Imperial Order of the Dragon of Annam. A very sociable man, he was a member of the Shanghai Club, the Cercle Sportif, Shanghai Golf Club, Shanghai Race Club, and the Hsui Country Club.

By his death, the French community loses a man who rendered it good service and in their loss they will have the sympathy of the large circle of foreign friends whom René Fano made by his great charm of manner.

Mr. Basil M. Hunting

The death is reported of Mr. Basil M. Hunting, former Third Officer of the Shanghai Fire Brigade, who passed away at Nayland, near Ipswich, on March 10 at the age of 43.

The late Mr. Hunting leaves a widow, at present in Shanghai, and two sons, Eric, aged 14 years and Alan, aged 11 years. The elder son was at home with his father when he died.

Mr. Hunting's health had been causing anxiety for a considerable time. He left Shanghai for England in August last after being retired on pension from the service of the Municipal Council Fire Brigade, of which he was Third Officer.

He joined the Council's service as Clerical Assistant in the Public Works Department on March 1, 1916. While so engaged he served as a member of the Deluge Company of the old Volunteer Fire Brigade, and on November 1, 1918, he transferred to the Professional Staff of the Brigade. He was a keen and fearless fireman, and his passing is sadly mourned by his colleagues, both foreign and Chinese, in the Brigade.

Mrs. E. J. Marquart

The death occurred in Hankow on March 9 of Mrs. Edward John Marquart, the wife of the Rear-Admiral commanding the United States Yangtze Patrol. Marquart, who was a recent arrival in China, was travelling to Hankow to join her husband when she contracted a chill. On arrival in Hankow she was removed to hospital, where she passed away after less than a week's illness.

Admiral Marquart, who only recently took over the command of the Yangtze Patrol, returned to Hankow in his flagship, the U.S. Luzon, on March 7. It is understood that Mrs. Marquart's body will be shipped back to the United States, and will be buried at Arlington.

Though Mrs. Marquart was only a recent arrival in China, she made many friends during her brief stay in Shanghai.

Mr. E. G. Barnes

The death occurred on March 13 in the St. Marie Hospital in Shanghai of Mr. Ernest Glazebrook Barnes, a director of Messrs. Harvie, Cooke & Co., Ltd., who has been a resident of Shanghai since before the Great War, and has distinguished himself in many circles of sport in this city. Mr. Barnes had been ailing for some time, but up to a week ago insisted on being at his accustomed place in the office. He is survived by a son and a daughter who is still of school age; both are living here.

Mr. Barnes won a great name for himself in sports in Shanghai, where until a few years ago he was well known as a wicket-keeper of interport standard. He represented Shanghai in the Interport Cricket XI against Hongkong and Hankow. His sporting activities were not confined to cricket, however, for he was one of the best goal-keepers the Shanghai Hockey Club has had, and "Barney," as he was affectionately known, displayed great prowess as a goalie in water polo.

The late Mr. Barnes was 47 years of age. He came to Shanghai in 1910 to join the accounts department of Harvie, Cooke & Co., Ltd. from that firm's Manchester organization, and remained with them and in Shanghai ever since, subsequently becoming chief accountant and a director. He was born at Asheton-under-Lyne, and, when that society existed, was an enthusiastic member of the Lancastrian Society. He was a member of a number of local clubs, including the Shanghai Club and the Shanghai Race Club. Mrs. Barnes died in the summer of 1935. The son is 19 years of age and the daughter 14.

Mr. J. F. Takagi

Joseph Francis Takagi, Shanghai resident for 61 years, who could speak six languages but not his own, peacefully breathed his last on March 12.

At his bedside was his elderly wife, née Ma Wu-cheng, granddaughter of Ma Hsin-ta, one-time secretary to Li Hung-chan, Viceroy of Chihli and one of China's best known statesmen.

Mr. Takagi, the local Japanese papers reported, met death calmly, after waiting for it for many months. Last year he was informed by doctors that the disease from which he was suffering was incurable. He then entered the Suzuki Hospital to await his end.

Although knowing no Japanese, Mr. Takagi was an honoured member of Shanghai's Japanese community, a land owner and a prominent member of the Japanese Club and the Nagasaki Native Sons' Society.

Personal Notes

Mrs. W. Rosenberg-Schauss sailed for Europe in the ss. Conte Verde on March 12.

The Rev. Father Robert sailed for Japan in the Shanghai Maru on March 11.

Dr. Anne Walter Fearn left for Los Angeles in the ss. President Hoover on March 10.

Mr. W. P. W. Turner, of H.M. Consular Service, and Mrs. Turner left Shanghai on March 10 in the Empress of Canada.

The Soviet Ambassador to China, M. Bogomolov, who is now home on furlough, is leaving Moscow on his return to this country on March 16.

Miss B. Taylor, daughter of Mr. W. Robert Taylor, Baptist member of the Associated Mission Treasurers, arrived in Shanghai on Mar. 10 in the Shanghai Maru.

Mr. Li Shih-tseng, a veteran Kuomintang member, has been named a delegate from China to attend the forthcoming Paris International Exhibition. He will leave for France in June.

At the ninth annual general meeting of the Hongkong & China branch of the Chartered Surveyors' Institute at Hongkong last week, Mr. N. L. Sparke was elected a member of the committee.

Dr. James R. Watson is seriously ill in Cheloo University, Tsinanfu. Dr. Watson was for many years a missionary of the English Baptist Mission, from which he retired in 1922, since when he has made his home in Tsinan. He will be 82 years of age in July.

Mrs. T. M. Burton, Mrs. Charles Measor, Mrs. A. G. N. Ogden, Mr. and Mrs. W. Allyn, Mr. W. H. Steele, Mr. A. Malcolm, Mr. and Mrs. H. M. Cooke, Dr. and Mrs. I. Beauchamp, Mr. H. Muir, Mr. R. E. Selwyn-Jones, and Mr. Lu Yoh-chuen arrived in Shanghai on March 8 in the ss. Ranchi.

Among the passengers arriving here in the ss. Empress of Canada on March 9 were Mr. and Mrs. A. C. Choate, Mr. and Mrs. J. R. Huxter, Mr. G. G. Helde, Rear-Admiral D. LeBreton, U.S. Navy, and Mrs. LeBreton, Mr. G. Gardner, Mr. and Mrs. R. Stillman, Mr. T. E. Jackson, and Mr. Jose Varela Y. Arias, Peruvian Consul at Hongkong.

Mr. Nieh Kwang-yueh, Chinese delegate to the World Textile Conference, sailed in the ss. President Hoover on Mar. 10. Mr. Chu Hsuehfan, chairman of the General Labour Union, who has also been appointed to attend the conference and also the forthcoming International Labour Conference in Geneva, left in the ss. President McKinley.

Miss Anna May Wong, Chinese-American stage and screen actress, has offered her Oriental screen costumes for sale, preparatory to retiring and residing in China. She is now at work on her last series of films in America. A Hollywood charitable institution will benefit from the sales of the actress's gowns, head-dresses, jewellery and personal effects.

The Rev. Earle H. Ballou, who has been for many years secretary of the North China Kung Li Hui, has been seconded for service with the National Christian Council until 1939 to assist in the preparations for the International Missionary Council to be held at Hangchow in 1938. Mr. Ballou will remain in Peiping for the present but will make his headquarters in Shanghai and the former capital of China.

Mme. Dan Pao-chao, formerly a lady-in-waiting to the late Empress Dowager Tzü Hsi and daughter of an ex-Chinese Minister to France, will represent the Hopei-Charhar Political Council at the International Exposition to be held at Paris in May. Mrs. Dan, who speaks English and French fluently and was at one time attached to the Chinese Embassy at Paris as social secretary, expects to leave Shanghai for France about the end of next month or early in May. She will later visit the United States, returning to China at the end of autumn or at the beginning of the winter.

Mrs. Dorothy Lee left Shanghai on March 16 in the ss. Carthage on holiday.

Mr. W. P. Clinton Smith left in the Empress of Asia for Vancouver on March 14.

Dr. Eric North, general secretary of the American Bible Society, is paying a visit to China, having arrived here on March 9 in the ss. Empress of Canada.

Mr. H. T. Edwards, technologist with the United States Department of Agriculture, came to Shanghai on Mar. 13 in the President Cleveland on his way to Manila.

Sir Francis Rose, Bt., the noted artist, whose works have been exhibited in London, Paris and New York, arrived in Shanghai on March 9 in the ss. President Hoover, accompanied by Mr. Charles Mills.

Mr. M. Y. Teng, secretary and director of the Bank of Canton, left for New York in the ss. President Hoover on Wednesday, accompanied by Mr. K. L. Kwong, who, it is expected may become manager of the New York branch of the bank.

Mr. L. Chevretton, director of the Banque l'Indo-Chine, and Mr. S. Maurice of the Belgian Consular Service, were among the passengers arriving in Shanghai on March 11 in the M.M. ss. Bernardin de Saint Pierre.

Count Giusti del Giardino of the Italian Embassy has undergone a very serious operation, successfully accomplished by Dr. Muto Nardone. He is rapidly recovering and it is hoped that he will soon be able to leave the hospital.

The University of Southern California has awarded Dr. Yi Seng-kiang, the newly-appointed Chinese Consul-General at New York, the honorary degree of Doctor of Foreign Service. Dr. Yi will leave for New York in a few weeks.

Mr. P. D. Butler, H.M. Consul-General in Mukden, is expected to return to his post this week after six months' leave in England. Mrs. Butler and one of their daughters will follow him to Mukden about the middle of the year.

The U.S. State Department announces the appointment of Mr. Erle Rickover, formerly First Secretary at the American Embassy at Tokyo, as the Consul-General in the Japanese capital. Mr. Kenneth Krentz, formerly Consul at Kobe, has been appointed to that post at Osaka. Mr. Charles R. Cameron was to have been given the Tokyo post.

Mr. M. Tajima, for some time manager of the New York office of Osaka Shosen Kaisha, has been appointed manager of the company's head office in Osaka. He will be succeeded in New York by Mr. M. Inouye, at present manager of the O.S.K. Shanghai office. Mr. Inouye was assistant manager in New York prior to his transfer here more than three years ago.

Mr. Arthur Ransome, the originator of the discovery of the "Shanghai Mind," has been chosen as the first author to receive the newly-instituted Library Association Carnegie Medal for the best book for children published during the preceding year. The medal commemorates the centenary of the birth of Andrew Carnegie, who was born in November, 1835. Mr. Ransome received his award for his book "Pigeon Post."

The Rev. E. C. Lobenstine, who, for for many years, served as a missionary in China and as secretary of the China Continuation Committee, which later became the National Christian Council, has been elected chairman of the China Medical Board of the Rockefeller Foundation, the director of which, Dr. Henry S. Houghton, arrived in Shanghai in the Empress of Canada on March 9. Mr. Lobenstine has also been named chairman of the Yale Foreign Missionary Society, which carries on work at Changsha, Hunan. He will make his headquarters in New York.

THE 11th (biennial) meeting of the National Christian Council is to be held at the New Asia Hotel, Shanghai, from May 5 to 11.

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COMMERCE AND FINANCE

MONEY AND EXCHANGE

Hongkong & Shanghai Bank

TUESDAY, MARCH 16, 1937

OFFICIAL SELLING RATES

London—tel. transfer C.S.$1 .....1/2⅝
New York—tel. trans. C.S.$100 U.S. $29⅜
Paris—demand C.S.$100 ....Francs 637
India—demand C.S.$100 ....Rupees 79¼
Batavia—demand C.S.$100 .Gulden 53⅛
Hongkong—demand C.S.$100 ..Hk. $97
Yokohama—demand C.S.$100 ..Yen 102⅝
Singapore—demand C.S.$100 Sing. $51

BANK'S SELLING RATES 10 A.M.

£1 @ 1/2⅛ .....$ 16.45
U.S. $100 @ 29⅛ $336.84

BANK'S BUYING RATES 10 A.M.

£1 @ 1/2⅛ $16.340
U.S. $100 @ 29⅞ $334.72
London—demand 1/2⅛
4 months' sight credits 1/2⅜
4 months' sight docts 1/2⅜
6 months' sight credits 1/2¾
6 months' sight docts 1/2⅞
New York—demand .....U.S. $29⅞
4 months' sight crerdits 30
4 months' sight docts 30⅛
Paris—4 months' sight docts F. 670 nom.

CLOSING RATES

Sterling .....1/2⅝ U.S. $29⅛

Canadian Exchange

The Chartered Bank of India, Australia & China opening selling rate yesterday:—

Can. $100 at 29⅝=C.S.$337.55

National City Bank of New York

MARKET SELLING RATES 9.30 A.M.

U.S. $1=C.S.$3.384 Stg. £1=C.S.$16.445

MARKET BUYING RATES 9.30 A.M.

U.S. $1=C.S.$3.3403 Stg. £1=C.S.$16.300

Italian Bank for China

It. Lire 5.60=C.S.$1 Swiss F. 1.29¾=C.S.$1
Tourist Lire 6.22.....C.S.$1

Banque Belge Pour L'Etranger

Belgas 1.76¼=C.S.$1 Belgas 28.90=£1

Deutsch-Asiatische Bank

OPENING SELLING RATES

Berlin-H'burg T.T. C.S.$100=Rm. 73.1/2
C.S.$100=Registermark 142.00

DOMESTIC EXCHANGE

Courtesy of the Bank of China

Domestic exchange for other parts of China have been stabilized under the Nanking currency reform remittances being made by the approved banks at a fixed rate. Market rates of exchange for Canton Dollars on March 16 were:—

From Canton $1475 for Shanghai $1000

Central Bank of China

Equalization charge 9 per cent.

	London	New York
Bar silver spot	20¾	45⅜
Bar silver forward	20¾	—
Bar Gold, per fine oz.	£7.2.3½	U.S.$35.00
Shanghai gold bar basis		$1,157.10
Native interest		.08
Customs gold unit	$2.295	

" " " versus £ Stg. 32.28125 Pence
" " " versus U.S. $ 67.8125 Cents

Central Bank's opening official rates for T.T.

London ...	1/2½	Berlin	73½
New York .	30	Japan	103*
Paris	645	Hongkong .	97½

*—Nom.

Subsidiary Coin Exchange

Kiangnan silver 20cts. a.m. 500=$83.33.
Canton silver 20cts. a.m. 500=$83.33.
Copper:—a.m. 300 coppers=$1
5 silver 20cts. and 36 coppers=$1
26 coppers=10cts. silver
10cts. silver and 3 coppers=10cts. big money.

LOCAL EXCHANGE REPORT

Messrs. Drakeford, Davis & Wilson

INTER BANK APRIL DELIVERY

£ Highest 1/2⅜ Lowest 1/2⅝
U.S. G.$ 29¾ 29⅛
Yen 104¼ 104⅛

MERCHANT CLOSING RATES

March

	SELLING		BUYING
£ T.T.	1/2⅝	4 m/s. l.c.	1/2⅜
G.$ T.T.	29¾	4 m/s. l.c.	29⅞
Fcs. T.T.	648	4 m/s.	644
Rs. T.T.	80½	7 d/s.	81⅜

BAR SILVER

	Ready	For'd
London pence per std. oz.	20¾	20¾
N.Y. cents per oz. troy	45⅜	—
Bombay Rs. per 100 tolas	53	—

Market steady.

London silver was ⅛ up for spot and ⅛ up forward at 20¾d. ready and forward. It was reported that offerings were small, India and speculators bought, the market was quietly steady. After the official fixing, there was a little speculative buying at ⅛ over the fixed rate, but sellers were reserved. New York silver was ⅛ up at 45⅜ cents and Bombay one anna up at Rs.53.

The local exchange market opened yesterday morning with sellers for March at 1/2⅝ sterling, 29¾ U.S.$ and 104¼ yen. Throughout the day the market was quietly steady with a firmer tendency forward than near, but there was no change in rates.

DOMESTIC BONDS

Yesterday's Quotations

	Opening	Closing
Consolidated "E," Mar.	66.05	66.15
April	66.40	66.40
Consolidated "D," Mar.	67.15	67.05
April	67.30	67.40
Consolidated "C," Mar.	66.90	67.00
April	67.10	67.15
Consolidated "B," Mar.	68.95	69.00
April	69.30	69.30
Consolidated "A," Mar.	73.70	73.70
April	73.95	73.95
17th Year Currency, Mar.	—	—
96 Million, Mar.	9.60	9.50
April	9.60	9.60
Recovery Loan, Mar.	—	—

WEEK'S EXCHANGE NOTES

Shanghai, Mar. 13.

At the close of business on the 11th instant the stock of silver in Shanghai was Tls. 2,250,000 and $38,150,000.

These figures include Tls. 2,250,000 and $30,760,000 in Chinese banks in which there were nil bars.

BAR SILVER

There were no movements.

SYCEE

There were no movements.

DOLLARS

Imports were:—
$150,000 from Amoy.
Exports were:—
nil.

Silver

London quotations come to-day at 20½d. ready and forward, a drop of ⅝d. in ready and ½d. in forward as compared with last week.

Exchange

Our official T. T. rate remains unchanged from last week at 1/2⅜d.

Selling T.T. 1/2⅝d. U.S. $29¾.
Buying 4 m/s. l.c. 1/2⅜d. U.S. $29⅛.

JOINT RESERVE BOARD

Member Banks' Clearing

WEDNESDAY, MARCH 10, 1937

Inter-Member Bank Clearings	$19,726,017.67
Member Bank Transfer	$35,030,043.71
Collections From Non Member Banks Native Banks and Firms	$ 6,844,738.97
Total	$61,600,800.35

THURSDAY, MARCH 11, 1937

Inter-Member Bank Clearings	$18,826,434.61
Member Bank Transfer	$37,026,803.27
Collections From Non Member Banks Native Banks and Firms	$ 5,340,777.04
Total	$61,194,014.92

FRIDAY, MARCH 12, 1937

Inter-Member Bank Clearings	$14,342,937.90
Member Bank Transfer	$25,376,071.33
Collections From Non Member Banks Native Banks and Firms	$ 4,378,631.98
Total	$44,097,641.21

SATURDAY, MARCH 13, 1937

Inter-Member Bank Clearings	$18,425,269.19
Member Bank Transfer	$41,145,665.09
Collections From Non Member Banks Native Banks & Firms	$ 6,673,386.45
Total	$66,244,320.73

MONDAY, MARCH 15, 1937

Inter-Member Bank Clearings	$33,671,033.98
Member Bank Transfer	$46,991,341.52
Collections From Non Member Banks Native Banks and Firms	$11,073,837.34
Total	$91,736,212.84

TUESDAY, MARCH 16, 1937

Inter-Member Bank Clearings	$20,325,847.78
Member Bank Transfer	$37,525,550.02
Collections From Non Member Banks Native Banks and Firms	$ 5,057,814.17
Total	$62,909,211.97

CHINESE EXTERNAL AND RAILWAY LOANS

Closing price yesterday were:—

	Buy.	Sell	Nom.
5% Gold 1912 (Crisp)	£	94	
5% Reorganisation Loan 1913:—			
" British	£	97	
" French (S)	£		95½
" Belgian (S)	£		95⅝
" German (S)	£		95½
" Russian (S)	£		94½
5% G.$ 1925-47:—			
(French Boxer) (U)	G.$98		
6% G.$ 1923-41:—			
(Belgian Boxer) (U)	G.$		101½
5% S'hai-N'king Rly. (S)	£	90½	
5% Tientsin-Pukow Rly. Loan:—			
" 1908 British (S)	£	71	
" 1908 German (S)	£	70½	
" 1910 British (S)	£		70½
" 1910 German (S)	£		70½
5% Honan Rly. 1905	£		88½
5% Hukuang Rly. Loan:—			
" 1911 L.P.N/Y (S)	£	70	
" 1911 German (S)	£	70	
5% Lunghai Rly. 1913 (S)	£	42	
5% Canton-Kowloon Rly. Loan:—			
" 1907 British (S)	£		57½
8% Chinese Govt. Treas. Notes:—			
Vickers (S)	£		38½
Marconi (S)	£		38½
6% Chi. U.S. $ Loan 1921	£		53½
6% Gvt. Int. 1934 (Sh') (U)	£105		
6% S.H.N.R. Com. (Sh') (S)	£		95
6% S.H.N.R. Com. (Sh') (U)	£		94½

S—Stamped. U—Unstamped.

CHINA COMMODITIES

Yesterday's Quotations

		Opening	Closing
Cotton, Mar.	pic.	43.90	44.25
June		45.70	46.00
Yarn 20's C. K. Mar.	bale	239.40	241.00
June		237.70	239.00
Flour, G. W. Mar.	bag	3.94	3.925
Aug.		3.48	3.49
Wheat, Mar.	pic.	6.48	6.40
Aug.		5.28	5.28
Soya-bean, Mar.	pic.	6.05	6.06
May		6.30	6.29
Bean-oil, Mar.		22.45	22.45
May		21.90	22.15
Sesamum, Mar.	pic.	13.96	13.96
Bean-cake, Mar.	piece	2.0875	2.085
May		2.1575	2.165
		Chinese	Saigon
Rice, best retail	pic.	12.50	11.00
good retail		11.70	10.00
ordinary		11.00	9.00

In 1936 the output of the 122 power stations which constitute the German grid was 16 per cent. greater than in 1935 which showed an increase of 14 per cent. on 1934. In December alone the output increased to 2,170,900,000 kilowatts against 2,044,600,000 kilowatts in November.

DRAWINGS OF PUBLIC LOANS

$10,835,625 in Interest and Principal to be Paid

Public drawings for the amortization of the 17th Year (1928) Currency Long Term Loan (seventh drawing), the 24th Year (1935) Electric Power Administration Loan (sixth drawing), the 25th Year (1936) Consolidation Loan, Class B (third drawing), and the 25th Year (1936) Kwangtung Currency Readjustment Loan (First drawing) were held on Mar. 10 at 10 a.m. at the Shanghai Chinese Bankers' Association.

The proceedings were conducted under the supervision of the representatives of the Ministries of Audit and of Communications, the Provincial Government of Kwangtung, the Shanghai Chinese Bankers' Association, the Shanghai Native Bankers' Guild, the Shanghai Chamber of Commerce, and the National Loans Sinking Fund Administrative Commission. Mr. C. S. Tao, Director of the Loan Department of the Ministry of Finance, officiated.

The terminal numbers drawn, the amounts of principal to be redeemed and of interest to be paid were as follows:

17th Year Currency Short Term Loan: 003, 096, 124, 137, 215, 224, 231, 317, 382, 390, 430, 457, 549, 550, 593, 605, 643, 657, 702, 715, 837, 842, 906, 956, 973. Principal $1,125,000. Interest $478,125. Total $1,603,125.

24th Year Electric Power Administration Loan:—02, 21, 43: $300,000. $127,500. Total 427,500.

25th Year Consolidation Loan, Class B Bonds:—078, 352, 418, 661, 821: $750,000. $4,455,000. Total $5,205,000.

25th Year Kwangtung Currency Readjustment Loan:—06: $1,220,000. $2,400,000. Total $3,600,000. Grand Total $10,835,625.

Payments will be made in the cases of the 17th Year Currency Long Term Loan, the 24th Year Electric Power Administration Loan and the 25th Year Kwangtung Currency Readjustment Loan on and from March 31 next through any of the offices of the Central Bank of China, the Bank of China and the Bank of Communications throughout the country, and in that of the Class B Bonds of the Consolidation Loan on and from July 31, 1937, through the Central Trust of China, where the Kwangtung Currency Readjustment Loan drawn bonds may also be cashed on and from March 21, 1937, in addition to the abovesaid banks and their branches.

LOAN TO PROMOTE ANHUI, KIANGSI TEA TRADE

Nanchang, Mar. 12.

The Bank of Communications and the local banks of Anhui and Kiangsi have extended a joint loan of $2,500,000 to the two provincial governments for the promotion of the tea industry. The contract has been signed in Shanghai by the two parties.

The annual production of tea in Anhwei is about 499,288 piculs and in Kiangsi around 208,872 piculs.—Central News.

PROPOSED KIANGSI CEMENT WORKS

Nanchang, Mar. 10.

Taking advantage of the rich production of lime there, the Kiangsi Provincial Government is arranging with the Hunan Provincial Government for the joint establishment of a $2,000,000 cement works at Pinghsiang, western Kiangsi, it is learned here to-day.

At present there are seven Chinese-owned cement factories in China, of which the Chee Hsin Cement Co. at Tongshan, along the Peiping-Liaoning Railway, is the biggest and best equipped.

Established in 1898, the Chee Hsin Co. is capitalized at $14,000,000 and it annual productive capacity is 1,600,000 barrels.

Pinghsiang in Kiangsi is a coal-mining town, connected with the Canton-Hankow Railway by the Pinghsiang-Chuchow branch line of the Chekiang-Kiangsi Railway.—Central News.

CHEKIANG TEA PROMOTION

Hangchow, Mar. 13.

The Chekiang Provincial Government has decided to invest $200,000 in the China Tea Company which is being organized by the Ministry of Industry. The company will be capitalized at $2,000,000.—Central News.

GERMAN NATIONAL INCOME SHOWS BIG RISE

Berlin, Mar. 8.

According to figures just released, the German national income, which had reached its lowest level in 1932 with 45,000,000,000 marks, rose in 1936 to 61,500,000,000 marks, a difference of about 40 per cent.—Transocean Kuo Min.

SHANGHAI MARKETS WEEKLY REVIEW

American Cotton Markets Rise Believed to be of Speculative Nature: Wheat Marts Rise

Shanghai, Mar. 13.

Recent advances in the American cotton markets are considered by local operators as being more of a speculative nature than otherwise, and that therefore the technical position is weakened at the present high price level. Demand has been slow in the yarn market and prices show no improvement. Rises continued in world wheat markets, the Shanghai wheat and flour markets, in contrast, being inactive and going even further out of line of export parity.

PRODUCE

There has been a slightly better tendency throughout the world during the past week as regards China produce, but the market is still in a very stagnant state.

Yuenfong Auctions

There has been satisfactory buying during the past week so that prices continue to strengthen and higher prices are being obtained for most classes of goods that are being offered, with the exception of a couple of qualities. All chops of Black Italians are higher, while Velvets continue to receive support from Yunnan. Generally speaking, the tone of the market seems to indicate some activity, clearances being quite good during the interval.

COTTON AND YARN

(Weekly report by courtesy of Messrs. J. Spunt & Co.)

Chinese Cotton: In sympathy with the continued advance in the values of American cotton our market manifested a somewhat firm undertone during the past week and the reason why the appreciation here was not at all commensurate with that registered in the cotton markets abroad. is because of the rather slow demand experienced in the yarn trade as well as the heavy stocks here of the domestic growth. Furthermore, the recent advances in the American markets are considered by local operators as being more of a speculative nature than otherwise and that thereby the technical position is weakened at the present high level of prices. Over 10,000 bales of Lingpao and Shantung American cotton have been purchased by the local mills, mostly for Japanese interests, at slightly higher rates than that last ruling. While receipts show but very little increase, the basis in the interior has become very much firmer. The value of Shanghai cotton has risen about $1 and advances of from 50 cents to 75 cents have been registered in the rates of Shensi, Shasi and Hupeh grades. However, it appears that no anxiety was visible on the part of local spinners to entertain any offerings as, presumably, they are well supplied for the near future and also that they are aware of the fact that the balance of the crop in general will suffice to cover their future requirements. Exports, if any, may be confined to certain grades only, such as Tientsin and Shantung rough etc., and will therefore have very little effect on the local market. Although the general sentiment does not indicate bullish views at present, yet it would be too presumptuous to adopt any bearish policy having regard to the higher values of the foreign staple and the firm spot basis in the interior. So long as the foreign markets continue in a steady direction the rates here will eventually appreciate, as the time approaches when further demand arises on the part of spinners in general.

Yarn: Demand has been rather slow and prices showed no improvement, irrespective of the firmness in both the foreign and domestic cotton markets. The old bulls appeared to be tired of supporting the market any further and although there were new buyers absorbing quite a large volume of yarn futures, particularly of the March position, at present rates, nevertheless such did not stimulate advances in prices to any great extent. Certified stocks in the Exchange number about 27,000 bales and it is reported that stocks are also accumulating in manufacturers' hands. The outlook, however, is still bright and it seems that the current level of prices favour the bull side.

SHANGHAI MARKET

Shanghai, ex-mill	$49.50
Tungchow, ex-mill	$51.00
Shensi, ex-mill	$51.50 to 55.00
Lingpao, ex-mill	$61.00 to 71.00
Shantung Amer., ex-mill	$58.50 to 64.00
Ningpo, ex-mill	$47.50 to 48.50

Tone of the market: Steady.

WHEAT AND FLOUR

The rise in wheat continued in world markets during the last week; large shipments from the Southern Hemisphere were more than counterbalanced by the very good demand and heavy purchases by Europe. All markets again showed a rise of about three per cent.

The Shanghai wheat and flour markets, in contrast with the strong tendency of wheat in world markets, were inactive and went even further out of line of export parity.

RICE

The wholesale price of Chinese rice ranged from $10.80 to $12.40 per picul yesterday morning, and the retail prices quoted by local rice shops were as follows:—

Chinese rice, best quality, $12.50; good quality, $11.70; ordinary quality, $11.

Saigon rice, best quality, $11; good quality, $10; ordinary quality, $9.

SILK

Following a sharp rise in prices in America during the last few days, the market has been moderately active in old as well as new season's silk. At the close, however, as a result of a setback, conditions were again very quiet.

PAPER

There has been no particular development during the week in this commodity. The tendency, however, in the producing countries is as firm as ever with steady and rising prices. Local importers and agents are often experiencing disappointment in cabling orders home as prices and shipments more often than not cannot be met.

TIMBER

The markets on the Pacific coast are still very firm, and prices continue to advance. A little business has been done, but it is becoming increasingly difficult to obtain supplies owing to a threatened strike in the American mills.

Hongkong & Shanghai Banking Corporation

(Incorporated in the Colony of Hongkong. The liability of Members is limited to the extent and in manner prescribed by Ordinance No. 6 of 1929 of the Colony.)

CAPITAL:

Authorized	$50,000,000
Issued and fully paid up	20,000,000
Hongkong Currency Reserve Fund	10,000,000

RESERVE FUNDS:

Sterling	£6,500,000
RESERVE LIABILITY OF PROPRIETORS	$20,000,000

Head Office: HONGKONG
London Branch: 9 GRACECHURCH STREET, E.C. 3
Shanghai Branch: 12 THE BUND
Shanghai Sub-Agency: 65 BROADWAY
New York Agency: 72 WALL STREET

INTEREST allowed on Current Accounts and on Fixed Deposits according to arrangement.

LOCAL BILLS discounted.

CREDITS granted on approved securities and every description of Banking and Exchange business transacted.

DRAFTS granted on London and the chief commercial place in America, Australia, China, Europe, India and Japan.

SAFE DEPOSIT BOXES to rent.

SAVINGS BANK OFFICE Accounts will be kept in Dollar. Local Currency.

Full particulars on application

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Shanghai Stock Exchange Official Share Report with Closing Quotations, March 12, 1937

REPORT No. 10/1937 for week ending March 12, compiled by J. P. Bisset & Co. on behalf of the Shanghai Stock Exchange

Stock	Comparative Opening Cash Prices: This Friday Morning March 12, 1937 — Buyers	Sellers	Nom.	Last Friday Morning March 5, 1937 — Buyers	Sellers	Nom.	Business Recorded During Week Closing To-Day Friday Morning: Highest — Cash	Mar.	Apr.	Lowest — Cash	Mar.	Apr.
Banks, Finance Companies												
Central Properties, Ltd.	14.50	15				14.75						
China Bond & Share Co., Fed. Inc., U.S.A.			15.25	15.50								
China Finance Corp. Fed. Inc., U.S.A.			0.40			0.40						
Hongkong & Shanghai Banking Corp.	•1,855					•1,860	•1,860			•1,855		
Inter. Invest. Trust Co. of China Ltd.		3.75				3.65	3.75			3.50		
Shanghai Loan & Investment Co., Ltd.			3.80	3.75	4.20		3.80			3.50		
Union Mobiliere			20			20						
Yangtsze Finance Co., Ltd.		8.10		7.50			8	8		8	8	
Insurances												
American-Asiatic Underwriters (ord.)			10			10						
Asia Life Insurance Co.			30			30						
Assurance Franco-Asiatique	Fcs		90			90						
International Assurance Co., Ltd.	4.30	4.40		4			4.15	4.35		4	4.25	
Union In. Society of Canton Ltd.			•627			•630	•629			•627		
Lands												
Anglo-French Land Invest. Co., Ltd.			200			200						
Asia Realty Co., Fed. Inc., U.S.A. "A" (ord.)												
do. "B"												
Cathay Land Co., Ltd.			3.75			3.75	3.75			3.75		
China Realty Co. Fed. Inc., U.S.A.			1.40	1.10			1.45	1.45		1.20	1.45	
Fonciere et Immobiliere de Chine			190			190						
Metropolitan Land Co., Ltd. "A"		7				7						
do. "B"		7				7						
Realty Invest. Co., Fed. Inc., U.S.A. "A"												
do. "B"												
San Sing Properties, Ltd.		10				10						
Shanghai Land Investment Co., Ltd.		17				16.75	16.50	16.30		16.10	16.30	
Tientsin Land Investment Co., Ltd.			68			68						
West End Estates, Ltd.												
Docks, Wharves and Transport												
Ch. Transport & Storage Co., Inc. Shanghai												
New Eng. & Shipbuilding Works, Ltd. (ord.)	3.20			3	3.30		3.10			3		
Shanghai Dock & Engineering Co., Ltd.	101.50					105	102.50			100		
Shanghai & Hongkew Wharf Co., Ltd.			250			240						
Wheelock & Co., Ltd.	13.50	13.75		13.10			13.40	13.50		13.25	13.50	
Utilities												
China General Omnibus Co., Ltd.	9			9			9.50			9.50		
Shanghai Gas Co., Ltd.		10				9.75						
Shanghai Telephone Company	78.75					76	80			75.25		
S'hai Electric Construction Co., Ltd. "Reg."	38.50					39.25	38.50			38.50		
do. "Bear"	39.25					40.25	40	39.50		39	39.50	
S'hai Waterworks Co., Ltd. "A"	630			625			635			635		
do. "B"	25.50			25								
do. "C"	25.50			25.25								
Miscellaneous												
Auto Palace Co., Ltd.	6.75	7		6.50			6.75			6.75		
Bakerite Co., Fed. Inc., U.S.A. "B"			4.25			6.25	4.25			4.25		
B.A.T. (Securities) Co., Ltd. "A" (ord.)			79		80							
Caldbeck, Macgregor & Co., Ltd. (ord.)			16.50			16.50						
China Import & Export Lumber Co., Ltd.		14			13.75		13			13		
Chinese Eng. & Mining Co., Ltd. "Bearer"	17.20			17.40			18			17.50		
Chosen Corporation, Ltd.			10			10						
Culty Dairy Co., Ltd.			15	15								
Champ Course Francais French			30			30						
(French Race Course) non-French			30			30						
do. Founders			60			60						
Hall & Holtz, Ltd.			12			12	9			9		
Hongkong & Shanghai Hotels, Ltd.	6.10					6						
Kelly & Walsh, Ltd.			19			19						
Mark L. Moody, Fed. Inc., U.S.A.			6			6						
Millington, Ltd.	1.40			1.32½	2							
Office Appliance Co., Ltd.			2.50			2.50						
S'hai Exploration & Development Co., Ltd.			3	2.50			2.75			2.50		
S'hai Vacuum Cleaning & Storage Co., Ltd.			7.50			7.50						
S'hai Waterworks Fittings Co., Ltd.	1				1.37½							
Union Brewery, Ltd.			4			5						
United Theatres, Inc.												
Bonds and Preferences												
American-Asiatic Underwriters, Cum. Pref. 8%			90			90						
do. Cum. Pref. 7%			75			75						
Asia Realty Co., Pref. "A" 8%												
do. Pref. "B" 6%												
Caldbeck, Macgregor & Co., Ltd. 8% cum. pref.			17.50			17.50						
Ch. Finance Corp. Fed. Inc., U.S.A. (Pref.) 8%			4			4						
Ewo Cotton Mills, Ltd. 8% cum. pref.	166				170		167.50			167.50		
New Eng. & Shipbg Works, Ltd. 8% cum. pref.	6.25	6.50			6.50		6.50			6		
Realty Invest. Co. 7½% cum. pref. "A"												
S'hai Power Co. Tls. 6 cum. Pref. stock		133			133		132.50			132		
Shanghai Tug & Lighter Co., Ltd. 7% pref.		74				72						
S'hai Waterworks Co., Ltd. 7% cum. pref.			16.50			16	17			17		
do. 6½% cum. pref.			15.25			15	15.25			15.25		
Cottons												
Ewo Cotton Mills, Ltd., Ordinary	15.40	15.60		15.40			15.80	15.95		15.25	15.50	
Shanghai Cotton Mfg. Co., Ltd.	108			102								
do. (New)	85			77								
Zoong Sing Cotton Mills, Ltd.	30			29								
Plantations												
Alma Estates, Ltd.			25			25	25	25		25	25	
Anglo-Dutch (Java) Plantations Ltd.	12.25			11.70	12		12.35	12		12	12	
Anglo-Java Estates, Ltd.	17.75			17.25			17.95	17.95		17.10	17.70	
Ayer Tawah Rub. Plantation Co., Ltd.	5.70			5.70				5.77½			5.77½	
Batu Anam (Johore) Rub. Ests., Ltd.	1.40			1.36			1.40	1.42		1.36	1.40	
Bute Plantations (1913), Ltd.	5.75			5.45	5.50		5.70	5.80		5.50	5.45	
Chemor United Rubber Co., Ltd.	1.80			1.78			1.80	1.82½		1.78	1.79	
Cheng Rubber Estates, Ltd.	1.15			1.12	1.14		1.15	1.17		1.14	1.15	
Consolidated Rub. Estates (1914), Ltd.	6.25	6.35		6.15	6.25		6.30	6.30		6.30	6.25	
Dominion Rubber Co., Ltd.	8.70			8.10			8.75	8.60		8.40	8.30	
Gula-Kalumpong Rub. Ests., Ltd.			53			53.50	53			53		
Java-Cons. Rub. & Coffee Ests. Ltd.	2.64			2.48			2.58	2.62		2.55	2.49	
Kapayang Rubber Estates, Co., Ltd.	33					32.75	34			34		
Kota Bahroe Rub. Est. (1921), Ltd.	4.27½	4.35		4.02½			4.32½	4.32½		4	4.15	
Kroewoek Java Plantations, Ltd.	1.27			1.19			1.27	1.26		1.23	1.24	
Langkat	11					8.75	11.30	11.50		9	10	
Padang Rubber Co., Ltd.	1.64			1.56	1.60		1.66	1.66		1.62	1.60	
Permata Rubber Estate, Ltd.			0.90	0.88	0.93							
Repah Rubber & Tapioca Ests. Ltd.	1.10			1.03			1.06	1.11		1.06	1.04	
Rubber Trust, Ltd.	5.65			5.45			5.67½	5.72½		5.45	5.62½	

Stock	Authorised Capital (No. of Shares)	Issued Capital (No. of Shares)	Paid up Value (or Face Value)	Fin. year ends	Last Dividends, etc.	Paid or due	Business Done Year 1936 — Highest	Lowest	Business Done Year 1937 — Highest	Lowest	Total No. of Shares Done for — Last Week	This Week	Total Amount of Sales Reported Jan. 1—Mar. 12 — 1936	1937
Banks, Finance Companies														
Central Properties, Ltd.	5,000,000	180,000	$10	Dec.	Div. 10% 1936	18-1-37	15 Dec	15 Dec	15 Feb	14.75 Mar	1,000		400	1,500
China Bond & Share Co., Fed. Inc., U.S.A.	200,000	100,000	$10	Dec.	Final Div. 6% (Mkg. 10%, 1936)	10-3-37	14 Oct	14 Oct						
China Finance Corp. Fed. Inc., U.S.A.	400,000	400,000	T5	Dec.	Spec. Tax Div. Tls. 0.27½ = $0.39, 1931	14-3-32			0.40 Feb	0.40 Feb				28,200
Hongkong & Shanghai Banking Corp.	400,000	160,000	H $125	Dec.	Fin. Div. £3 (Mkg. £5-10-0 a/c 1936) Less I/T	27-2-37	1,815 Dec.	1,500 Jan	1,875 Jan	1,820 Jan	5	22	289	62
Inter. Invest. Trust Co. of China Ltd.	2,000,000	350,000	T10	Mar.	Div. $0.75, 1934 (Nil 1935)	4-5-34			4.25 Feb	3.60 Feb	1,500	1,000		46,450
Shanghai Loan & Investment Co., Ltd.	250,000	250,000	T5	Dec.	Div. $0.25 a/c 1934 (Nil 1936)	25-2-35	3.50 Dec.	3.25 Dec.	5 Feb	3 Jan	100	1,100		11,436
Union Mobiliere	100,000	100,000	$20	Dec.	7% for 1935	21-4-36	20 Nov	19 Dec	20 Feb	18 Jan				1,170
Yangtsze Finance Co., Ltd.	2,000,000	517,500	T10	Mar.	Divd. $0.60 1934 (Nil 1936)	4-5-34	5.50 Dec.	5.50 Dec.	8 Mar	6 Feb	1,000	2,500		8,850
Insurances														
American-Asiatic Underwriters (ord.)	75,000	75,000	T10	Dec.	Div. $1.40, 1934 (1935 Nil)	15-5-35								
Asia Life Insurance Co.	100,000	40,000	G $5	Dec.	Div. 15% = G. $0.75, 1934 (1935 Nil)	27-12-34								
Assurance Franco-Asiatique	70,000	70,000	F100	Dec.	Div. 5%, 1934 (Nil 1935)	14-5-35								
International Assurance Co., Ltd.	2,000,000	600,000	T5	Dec.	Div. $0.30, 1933 (Nil 1935)	18-5-34	3.25 Dec	2.75 Nov	4.55 Feb	3 Jan	5,200	3,320	600	94,145
Union In. Society of Canton Ltd.	200,000	135,000	£4	Dec.	Int. Div. 15/- a/c 1936	20-11-36	615 Dec	500 May	630 Mar	615 Jan	6	120	147	629
Lands														
Anglo-French Land Invest. Co., Ltd.	25,000	19,335	T100	Feb.	Int. Div. $3 a/c 1936-37 ($14, 1935-36)	2-10-36			200 Feb	190 Jan				114
Asia Realty Co., Fed. Inc., U.S.A. "A" (ord.)	20,000	15,904	$100	Dec.	Div. 7% 1932	6-2-33								
do. "B"	150,000	53,812	$20	Dec.	Div. 7% 1932	6-2-33								
Cathay Land Co., Ltd.	500,000	480,374	T10	Dec.	Final 2% = $0.28 (Mkg. 6% 1933) (Nil 1935)	5-4-34			3.75 Mar	3.75 Feb	500	8,900		13,100
China Realty Co. Fed. Inc., U.S.A.	800,000	500,000	T10	Dec.	Div. $0.15 a/c 1934	20-2-35			1.45 Mar	1 Feb		18,350		68,650
Fonciere et Immobiliere de Chine	20,000	20,000	T100	Dec.	Div. $7, a/c 1935	12-3-36								
Metropolitan Land Co., Ltd. "A"	500,000	39,800	T10	Sept.	Div. $0.80, 1934 (Nil 1936)	28-11-34	7 Dec	7 Dec						
do. "B"		155,018	T10	Sept.	Div. $0.80, 1934 (Nil 1936)	28-11-34								
Realty Invest. Co., Fed. Inc., U.S.A. "A"	5,000	3,648	$100	Dec.	Fin. 2½% (Mkg. 4½%, 1934)	19-3-35								
do. "B"	150,000	147,892	$10	Dec.	Fin. 2½% (Mkg. 4½%, 1934)	19-3-35								
San Sing Properties, Ltd.	2,000,000	805,007	T10	Mar.	Div. 2% = $0.28, 1933	16-3-33								
Shanghai Land Investment Co., Ltd.	1,404,000	1,404,000	T5	Dec.	Fin. 4% = $0.28 (Mkg. Tls. 0.50 1934) (Nil 1935)	25-4-35	17.50 Dec	16 Dec.	17 Feb	15.40 Feb	1,200	950		18,580
Tientsin Land Investment Co., Ltd.	120,000	64,281	$50	Dec.	Final 2% (Mkg. 8% 1935)	28-2-36								
West End Estates, Ltd.	500,000	191,450	T10	Dec.	7% = $0.98 1926	23-4-27								
Docks, Wharves and Transport														
Ch. Transport & Storage Co., Inc. Shanghai	200,000	100,000	T5	Dec.										
New Eng. & Shipbuilding Works, Ltd. (ord.)	500,000	300,000	T5	Dec.	Div. Tls. 0.30 = $0.42, 1932 (Nil 1936)	14-3-33			3.80 Feb	2.25 Jan	2,000	786		14,802
Shanghai Dock & Engineering Co., Ltd.	55,700	55,200	T50	Apr.	Div. 5% Tls. 2.50 = $3.50, 1935-36	18-8-36	100 Apr.	90 Dec	105 Feb	92 Jan		2,039		3,434
Shanghai & Hongkew Wharf Co., Ltd.	80,000	60,000	T100	Dec.	Fin. Div. $5 (Mkg. $7.50, 1935)	29-4-36	195 Dec	193 Dec	250 Feb	190 Jan	5			1,379
Wheelock & Co., Ltd.	1,000,000	215,432	T10	Mar.	Int. Div. $0.50, 1935-36 Final Nil)	16-10-35	9 Dec	9 Dec	15 Feb	10.10 Feb	1,000	1,200		16,184
Utilities														
China General Omnibus Co., Ltd.	200,000	200,000	T10	Dec.	Div. Tls. 0.90 = $1.26, 1930	25-2-31			9.50 Mar	7.50 Jan		140		2,075
Shanghai Gas Co., Ltd.	700,000	415,492	$10	Dec.	Div. 4% 1936	Pending	9 Nov	8.50 Dec.	10 Feb	9 Feb				1,631
Shanghai Telephone Company	400,000	115,142	T50	Dec.			70 Feb	61 Nov	80 Mar	68 Jan	130	141	14	1,138
S'hai Electric Construction Co., Ltd. "Reg."	700,000	670,000	£1	Dec.	Final Div. 9% (Mkg. 13%, 1936) Coupon 53	Pending	40 Nov	35 Nov	38.50 Mar	36.50 Feb		700	440	1,138
do. "Bear"							39.75 Mar	37 Dec.	41 Mar	36.75 Feb	1,200	1,740	19,155	13,711
S'hai Waterworks Co., Ltd. "A"	40,236	40,236	£20	Dec.	Final Div. 23/4d (Mkg. 38/4d, 1936) Coupon 46	Pending	617.50 Dec	550 Jan	635 Mar	625 Jan	28	75	268	206
do. "B"	359,280	108,505	£1	Dec.	Final Div. 9.2d (Mkg. 1/6.2d, 1936) Coupon 19	Pending	24.50 Dec.	22 Feb	25.50 Feb	24.50 Feb			320	345
do. "C"		250,000	£1	Dec.	Final Div. 10.2d (Mkg. 1/7.2d, 1936) Coupon 15	Pending	24.75 Aug	21.50 Feb	25.50 Feb	24.50 Feb	100		600	2,600
Miscellaneous														
Auto Palace Co., Ltd.	150,000	118,500	$8	Dec.	Fin. $0.60, 1933 (Nil 1935)	5-4-34	5 Dec	5 Dec	6.80 Mar	5 Feb	750	100		1,350
Bakerite Co., Fed. Inc., U.S.A. "B"	50,000	49,912	$10	Dec.	Final $0.30 (Mkg. $0.80, 1934) (Nil 1935)	11-3-35			4.25 Mar	4.25 Mar		5,100		5,100
B.A.T. (Securities) Co., Ltd. "A" (ord.)	190,000	88,662	$100	Jan.	Fin. Div. 2% (Mkg. 5%, 1936-37 (Coupon 31)	9-2-37	80 Nov	65 July	80 Mar	75 Mar	130			130
Caldbeck, Macgregor & Co., Ltd. (ord.)	200,000	140,000	T10	Dec.	Div. $1 for 1935	14-4-36	14 Nov	14 Nov	16.50 Mar	14.25 Jan	500			1,500
China Import & Export Lumber Co., Ltd.	500,000	231,518	T10	Feb.	Div. $1.15 a/c 28-2-34 (Nil 1936)	31-5-34			13 Mar	13 Mar		100		100
Chinese Eng. & Mining Co., Ltd. "Bearer"	2,000,000	1,960,000	£1	June	Div. 2½% a/c 1935-36 Free of I/T Coupon 43	18-1-37	12 Dec.	8 Oct	18 Mar	13 Jan	100	2,100	300	5,084
Chosen Corporation, Ltd.	750,000	500,000	£1	June	Div. 9d. Less Tax	11-1-37	10.60 Feb	10.15 Mar	10.60 Jan	9.40 Jan			5,400	6,800
Culty Dairy Co., Ltd.	40,000	40,000	T10	June	Div. $1, 1934-35 (Nil 1935-36)	27-11-35								
Champ Course Francais French	30,000	30,000	$20	Dec.	Div. $4.50 a/c 1934 (Nil 1935)	1-3-35								
(French Race Course) non-French				Dec.	Div. $4.50 a/c 1934 (Nil 1935)	1-3-35								
do. Founders		6,490	Free	Dec.	Div. $4.62 a/c 1934 (Nil 1935)	1-3-35								
Hall & Holtz, Ltd.	28,000	26,342	$20	Feb.	Div. 5% = $1, 1934-35 (1935-36 Nil)	30-5-35			9 Mar	9 Mar		29		29
Hongkong & Shanghai Hotels, Ltd.	1,500,000	1,193,867	H $7.50	Dec.	Div. H. $0.40 on Old: H. $0.20 on New, 1932 (Nil 1935)	22-3-33	6.15 Nov	4.50 Apr					500	
Kelly & Walsh, Ltd.	75,000	45,000	$10	Feb.	Fin. $1— (Mkg. $1.50 a/c 1935-36)	24-6-36								
Mark L. Moody, Fed. Inc., U.S.A.	100,000	30,000	T10	Dec.	Div. 2½% = $0.35, 1934 (Nil 1935)	11-3-35								
Millington, Ltd.	300,000	110,000	$4	Dec.					1.50 Jan	1.25 Jan				4,250
Office Appliance Co., Ltd.	80,000	60,000	T8.50	Dec.	Div. Tls. 0.40 = $0.56, a/c 1932	21-4-33								
S'hai Exploration & Development Co., Ltd.	600,000	597,351	T2.50	Dec.	Div. $0.14, 1935 (Nil 1936)	31-7-36			3 Feb	2.25 Feb		530		7,930
S'hai Vacuum Cleaning & Storage Co., Ltd.	35,000	23,000	T10	Dec.	Fin. 5% = $0.70 (Mkg. Tls. 1, a/c 1935)	6-2-36	7.50 July	7.50 July						
S'hai Waterworks Fittings Co., Ltd.	500,000	301,765	T1	Dec.	Div. 8% (= $0.11) 1935 (Nil 1936)	17-3-36	1.55 Dec	1.40 Dec.	1.50 Jan	1 Feb	1,000			11,606
Union Brewery, Ltd.	500,000	200,000	T10	Dec.	Div. $1.25, 1933 (Nil 1935)	27-5-34			3 Mar	3 Mar	300			300
United Theatres, Inc.	1,000,000	600,000	T5											
Bonds and Preferences														
American-Asiatic Underwriters, Cum. Pref. 8%	5,000	5,000	T100	Dec.	4% = $5.59 for ½ year ended Dec. 31, 1934	31-12-34								
do. Cum. Pref. 7%	7,500	7,500	T100	Dec.	3½% = $4.89 for ½ year ended 31-3-35	1-4-35								
Asia Realty Co., Pref. "A" 8%	10,000	10,000	$100	Dec.	8%, for year 1934	31-12-34								
do. Pref. "B" 6%	50,000	16,752	$100	Dec.	3%, for half year ended Dec. 31, 1934	31-12-34								
Caldbeck, Macgregor & Co., Ltd. 8% cum. pref.	100,000	80,000	T10	Dec.	Div. 8% = $1.12 for 1935	14-4-36	15.25 May	14.25 Mar	17.50 Feb	16.50 Jan			500	1,500
Ch. Finance Corp. Fed. Inc., U.S.A. (Pref.) 8%	600,000	205,125	T5	Dec.	Quarterly Div. Tls. 0.10 = $0.14, 1933	30-12-33								
Ewo Cotton Mills, Ltd. 8% cum. pref.	10,000	9,000	T100	Dec.	Div. Tls. 8 = $11.19, 1936	Pending	165 Jan	145 Oct	170 Jan	167.50 Mar		20	8	223
New Eng. & Shipbg Works, Ltd. 8% cum. pref.	500,000	300,000	T5	Dec.	Tls. 0.40 = $0.56, 1933 (1936 Nil)	4-4-34	6 Apr	2.50 Dec	6.50 Feb	6.50 Mar		12,400		17,566
Realty Invest. Co. 7½% cum. pref. "A"	400,000	106,238	$5	Dec.	Quarterly Div. 7½% p.a.	1-4-35								
S'hai Power Co. Tls. 6 cum. Pref. stock	230,000	220,000	T100	Dec.	4th Quarterly Div. Tls. 1.50 = $2.0979, a/c 1936	18-12-36	128 Apr	111 Jan	137.50 Feb	122 Jan	212	533	5,099	5,403
Shanghai Tug & Lighter Co., Ltd. 7% pref.	10,000	10,000	T50	Dec.	Tls. 3.50 = $4.89 1935	30-3-36	70 Mar	65 May	72 Mar	68 Jan	1,000			1,720
S'hai Waterworks Co., Ltd. 7% cum. pref.	100,000	100,000	T10	Dec.	3½% = $0.49 for half year ended 30-12-36	Pending	16 Nov	14.50 Jan	17 Mar	16 Jan		50	400	1,095
do. 6½% cum. pref.	100,000	100,000	T10	Dec.	3¼% = $0.45 for half year ended 30-12-36	Pending	15.25 Aug	14.25 Jan	15.25 Mar	15.25 Mar		300	25	300
Cottons														
Ewo Cotton Mills, Ltd., Ordinary	2,000,000	1,000,000	T5	Dec.	Div. $0.60 a/c 1936	Pending	15.85 Dec	8 June	16.90 Feb	15 Jan	28,744	25,425	2,703	319,079
Shanghai Cotton Mfg. Co., Ltd.	240,000	120,000	$50	Oct.	Div. $2.50 & Bonus $0.50 for half year ended 31-10-36	27-11-36	88 Dec	68 Mar	92 Jan	92 Jan			535	100
do. (New)		120,000	½pd. $25		Div. $1.25 & Bonus $0.25 for half year ended 31-10-36	27-11-36	61.50 Dec	40 Sept	73 Feb	60 Jan			200	536
Zoong Sing Cotton Mills, Ltd.	200,000	150,000	T10	June	Div. $2 & Bonus $2 (Mkg. $4, a/c 1935-36)	7-10-36	26 Dec	15.25 July	29 Mar	29 Mar	100			100
Plantations														
Alma Estates, Ltd.	70,000	70,000	£1 (T9)	Sept.	Final Div. $0.50 (Mkg. $1.10, a/c 1935-36)	18-12-36	19.25 Dec	11 Feb	25 Mar	18.35 Jan	205	800	2,259	3,845
Anglo-Dutch (Java) Plantations Ltd.	400,000	350,000	10s (T4½)	Dec.	2nd Int. Div. $0.15 (Mkg. $0.30, 1936) ($0.20, 1935)	20-11-36	10.90 Dec	5.50 Sept	12.35 Mar	9.50 Jan	5,417	2,800	5,559	38,721
Anglo-Java Estates, Ltd.	500,000	496,000	10s.	Dec.	2nd Int. Div. $0.20 (Mkg. $0.40, 1936) ($0.30, 1935)	4-12-36	15.30 Dec	8.25 June	17.95 Mar	14.35 Jan	26,102	10,000	10,282	101,900
Ayer Tawah Rub. Plantation Co., Ltd.	500,000	335,499	T1	Sept.	Int. Div. $0.10 a/c 1936-37 ($0.30, 1935-36)	6-3-37	5.35 Dec	3.10 Feb	6 Mar	5 Jan	2,281	2,500	8,631	21,080
Batu Anam (Johore) Rub. Ests., Ltd.	960,000	960,000	T0.10	Dec.	2nd Int. Div. $0.02 (Mkg. $0.04, 1936) ($0.01, 1935)	11-12-36	1.40 Dec	0.45 Jan	1.42 Mar	1.21 Jan	10,500	27,750	55,050	296,610
Bute Plantations (1913), Ltd.	500,000	353,698	T1	Dec.	3rd Int. Div. $0.05 (Mkg. 15 cts a/c 1936) ($0.05 1935)	18-12-36	5.15 Dec	1.50 Jan	5.80 Mar	4.60 Jan	22,520	27,700	58,660	152,340
Chemor United Rubber Co., Ltd.	1,200,000	800,000	T0.10	Dec.	2nd Int. Div. $0.03 (Mkg. $0.06, 1936) ($0.03, 1935)	30-10-36	1.62 Dec	0.68 Jan	1.83 Mar	1.40 Jan	25,500	17,600	87,976	208,050
Cheng Rubber Estates, Ltd.	1,095,850	1,051,438	T0.10	June	Div. $0.02, 1935-36	8-9-36	1.04 Dec	0.42 Jan	1.17 Mar	0.91 Jan	40,920	45,000	79,450	707,880
Consolidated Rub. Estates (1914), Ltd.	500,000	484,837	T0.75	Dec.	2nd. Int. Div. $0.05 (Mkg. $0.10 1936) ($0.12, 1935)	13-11-36	5.80 Dec	2.50 June	6.40 Mar	5.50 Jan	11,250	16,250	18,500	151,086
Dominion Rubber Co., Ltd.	350,000	200,000	T1	Dec.	2nd. Int. Div. $0.07 (Mkg. $0.14 1936) ($0.07, 1935)	13-11-36	8.75 Dec	3.30 July	8.75 Mar	7.75 [illegible]	1,000	6,000	7,700	35,550
Gula-Kalumpong Rub. Ests., Ltd.	750,000	665,300	£1	Dec.	Div. 5% 1935, less I/T 4/6d. in £ (Coupon 32)	3-4-36	35 Nov	21 June	53 Mar	[illegible]	[illegible]	170	495	595
Java-Cons. Rub. & Coffee Ests. Ltd.	850,000	750,000	2/-	Dec.	Div. $0.04, 1935	4-6-36	2.35 Dec	1.25 Oct	2.63 Mar	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]550
Kapayang Rubber Estates, Co., Ltd.	15,000	14,800	T10	Dec.	Fin. Div. $0.80 (Mkg. $1.80, 1936)	12-3-37	27.50 Dec	10 Feb	34 Mar	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]075
Kota Bahroe Rub. Est. (1921), Ltd.	500,000	461,804	T0.75	June	Int. Div. $0.06 a/c 1936-37 ($0.10, 1935-36)	20-1-37	4.17½ Dec	1.25 Jan	4.40 Feb	[illegible]	[illegible]	[illegible]	[illegible]	206,348
Kroewoek Java Plantations, Ltd.	2,200,000	2,200,000	T0.10	Dec.	Int. Div. $0.02 a/c 1936 ($0.03, 1935)	16-9-36	1.09 Dec	0.55 June	1.27 Mar	[illegible]	[illegible]	[illegible]	178,000	568,900
Langkat	250,000	250,000	Gs.10	Oct.	Div. Tls. 0.50 = $0.70, 1928-29	3-3-30	11 Jan	3.25 Oct	11.50 Mar	7 Jan	200	9,600	200	16,162
Padang Rubber Co., Ltd.	500,000	500,000	T1	Apr.	Int. Div. $0.03 a/c 1936-37 ($0.05, 1935-36)	18-12-36	1.55 Dec	0.62½ June	1.66 Mar	1.35 Jan	23,000	43,500	12,750	166,890
Permata Rubber Estate, Ltd.	350,000	317,219	$1	Oct.	Div. $0.04, 1935-36	9-2-37	3.50 Feb	0.45 Oct	0.99 Feb	0.75 Jan	3,500		300	31,075
Repah Rubber & Tapioca Ests. Ltd.	1,350,000	1,350,000	T0.10	Dec.	Int. Div. $0.02 a/c 1936 (Nil 1935)	16-10-36	0.95 Dec	0.48 Oct	1.11 Mar	0.83 Jan	25,912	55,000	31,500	361,337
Rubber Trust, Ltd.	25,000,000	541,000	T1	Sept.	Div. $0.15, 1936	27-11-36	4.85 Dec	2.70 July	5.72½ Mar	4.15 Jan	61,215	32,270	213	281,298

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5.70	....	....	5.70	....	....	....	5.77½	....	....	5.77½	....	Ayer Tawah Rub. Plantation Co., Ltd.	500,000	335,499	T1	Sept.	Int. Div. $0.10 a/c 1936-37 ($0.30, 1935-36)	6-3-37	5.35 Dec	3.10 Feb	6 Mar	5 Jan	2,231	2,500	8,631	21,080
1.40	....	....	1.36	....	....	1.40	1.42	....	1.36	1.40	....	Batu Anam (Johore) Rub. Ests., Ltd.	960,000	960,000	T0.10	Dec.	2nd Int. Div. $0.02 (Mkg. $0.04, 1936) ($0.01, 1935)	11-12-36	1.40 Dec	0.45 Jan	1.42 Mar	1.21 Jan	10,500	27,750	55,050	296,610
5.75	....	....	5.45	5.50	....	5.70	5.80	....	5.50	5.45	....	Bute Plantations (1913), Ltd.	500,000	353,698	T1	Dec.	3rd Int. Div. $0.05 (Mkg. 15 cts a/c 1936) ($0.05 1935)	18-12-36	5.15 Dec	1.50 Jan	5.80 Mar	4.60 Jan	22,520	27,700	58,660	152,340
1.80	....	....	1.78	....	....	1.80	1.82½	....	1.78	1.79	....	Chemor United Rubber Co., Ltd.	1,200,000	800,000	T0.10	Dec.	2nd Int. Div. $0.03 (Mkg. $0.06, 1936) ($0.03, 1935)	30-10-36	1.62 Dec	0.68 Jan	1.83 Mar	1.40 Jan	25,500	17,600	87,976	208,050
1.15	....	....	1.12	1.14	....	1.15	1.17	....	1.14	1.15	....	Cheng Rubber Estates, Ltd.	1,095,850	1,051,438	T0.10	June	Div. $0.02, 1935-36	8-9-36	1.04 Dec	0.42 Jan	1.17 Mar	0.91 Jan	40,920	45,000	79,450	707,880
6.25	6.35	....	6.15	6.25	....	6.30	6.30	....	6.30	6.25	....	Consolidated Rub. Estates (1914), Ltd.	500,000	484,837	T0.75	Dec.	2nd. Int. Div. $0.05 (Mkg. $0.10 1936) ($0.12, 1935)	13-11-36	5.80 Dec	2.50 June	6.40 Mar	5.50 Jan	11,250	16,250	18,500	151,086
8.70	....	....	8.10	....	....	8.75	8.60	....	8.40	8.30	....	Dominion Rubber Co., Ltd.	350,000	200,000	T1	Dec.	2nd. Int. Div. $0.07 (Mkg. $0.14 1936) ($0.07, 1935)	13-11-36	8.75 Dec	3.30 July	8.75 Mar	7.75 Jan	1,000	6,000	7,700	*35,550
....	....	53	....	....	53.50	53	....	....	53	....	....	Gula-Kalumpong Rub. Ests., Ltd.	750,000	665,300	£1	Dec.	Div. 5% 1935, less I/T 4/6d. in £ (Coupon 32)	3-4-36	35 Nov	21 June	53 Mar	46.[illegible]	[illegible]	170	495	595
2.64	....	....	2.48	....	....	2.58	2.62	....	2.55	2.49	....	Java-Cons. Rub. & Coffee Ests. Ltd.	850,000	750,000	2/-	Dec.	Div. $0.04, 1935	4-6-36	2.35 Dec	1.25 Oct	2.62 Mar	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]550
33	....	....	....	....	32.75	34	....	....	34	....	....	Kapayang Rubber Estates, Co., Ltd.	15,000	14,800	T10	Dec.	Fin. Div. $0.80 (Mkg. $1.80, 1936)	12-3-37	27.50 Dec	10 Feb	34 Mar	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]075
4.27½	4.35	....	4.02½	....	....	4.32½	4.32½	....	4	4.15	....	Kota Bahroe Rub. Est. (1921), Ltd.	500,000	461,804	T0.75	June	Int. Div. $0.06 a/c 1936-37 ($0.10, 1935-36)	20-1-37	4.17½ Dec	1.25 Jan	4.40 Feb	3.[illegible]	[illegible]	[illegible]	[illegible]	206,248
1.27	....	....	1.19	....	....	1.27	1.26	....	1.23	1.24	....	Kroewoek Java Plantations, Ltd.	2,200,000	2,200,000	T0.10	Dec.	Int. Div. $0.02 a/c 1936 ($0.03, 1935)	16-9-36	1.09 Dec	0.55 June	1.27 Mar	0.[illegible]	[illegible]	[illegible]	178,000	568,900
11	....	....	....	....	8.75	11.30	11.50	....	9	10	....	Langkat	250,000	250,000	Gs.10	Oct.	Div. Tls. 0.50 = $0.70, 1928-29	3-3-30	11 Jan	3.25 Oct	11.50 Mar	7 Jan	200	9,600	200	16,162
1.64	....	....	1.56	1.60	....	1.66	1.66	....	1.62	1.60	....	Padang Rubber Co., Ltd.	500,000	500,000	T1	Apr.	Int. Div. $0.03 a/c 1936-37 ($0.05, 1935-36)	18-12-36	1.55 Dec	0.62½ June	1.66 Mar	1.35 Jan	23,000	43,500	12,750	166,600
....	....	0.90	0.88	0.93	....	....	....	....	....	....	....	Permata Rubber Estate, Ltd.	350,000	317,219	$1	Oct.	Div. $0.04, 1935-36	9-2-37	3.50 Feb	0.45 Oct	0.99 Feb	0.75 Jan	3,500	....	300	31,075
1.10	....	....	1.03	....	....	1.06	1.11	....	1.06	1.04	....	Repah Rubber & Tapioca Ests. Ltd.	1,350,000	1,350,000	T0.10	Dec.	Int. Div. $0.02 a/c 1936 (Nil 1935)	16-10-36	0.95 Dec	0.48 Oct	1.11 Mar	0.83 Jan	25,912	55,000	31,500	361,337
5.65	....	....	5.45	....	....	5.67½	5.72½	....	5.45	5.62½	....	Rubber Trust, Ltd.	25,000,000	541,000	T1	Sept.	Div. $0.15, 1936	27-11-36	4.85 Dec	2.70 July	5.72½ Mar	4.15 Jan	61,215	32,270	213	261,298
0.88	....	....	0.77	0.80	....	0.89	0.89	....	0.83	0.78	....	Samagaga Rubber Co., Ltd.	6,000,000	1,011,000	T0.10	Sept.	..	....	0.62 Dec	0.27 July	0.89 Mar	0.55 Jan	32,040	96,600	27,000	295,055
....	....	1.05	....	....	1	1.04	1.02	....	1	1.02	....	Semambu Rubber Ests., Ltd.	900,000	900,000	T0.10	Dec.	Div. $0.03 a/c 1936	Pending	0.90 Dec	0.35 Sept	1.02 Mar	0.81 Jan	11,100	29,350	37,750	133,430
1.28	....	....	1.25	1.26	....	1.29	1.29	....	1.28	1.27½	....	Senawang Rub. Ests., Co. (1921), Ltd.	1,140,000	1,140,000	T0.10	Jan.	2nd. Int. Div. $0.02 (Mkg. $0.04, 1936-37) ($0.02, 1935-36)	8-1-37	1.19 Dec	0.50 June	1.29 Mar	1.10 Jan	38,300	36,000	43,010	574,675
....	8	....	7.37½	....	....	7.70	7.90	....	7.50	7.55	....	Shanghai Kedah Plantations, Ltd.	400,000	300,000	T1	Sept.	Int. Div. $0.10, a/c 1936-37 ($0.35, 1935-6)	Pending	7.25 Dec	3.50 Jan	7.90 Mar	6.50 Jan	2,500	10,700	7,150	49,495
0.46	0.50	....	0.46	....	....	0.49	0.49	....	0.47	0.48	....	S'hai Kelantan Rub. Ests. (1925), Ltd.	1,400,000	1,400,000	T0.10	Dec.	..	....	0.49 Dec	0.22 June	0.50 Mar	0.40 Jan	53,000	37,800	63,500	876,146
....	....	0.95	....	....	0.95	0.95	0.95	....	0.92	0.95	....	S'hai Klebang Rubber Estate, Ltd.	315,000	313,613	T1	Dec.	Fin. Tls. 0.05 = $0.07 (Mkg. Tls. 0.10 = $0.14, 1929)	11-3-30	0.86 Dec	0.42½ Oct	0.97 Mar	0.80 Feb	10,500	6,400	7,000	71,650
22	25	....	16	....	....	21	20	....	21	17	....	S'hai Malay Rub. Ests., Ltd.) ord.	30,000	30,000	T10	Dec.	Fin. Div. Tls. 0.50 = $0.70 (Mkg. Tls. 1 = $1.40, 1929)	31-3-30	17.50 Dec	4 July	21 Mar	14.50 Jan	....	750	142	2,165
34.50	....	....	....	....	27	35	....	....	33	....	....	) 8% cum. part. pref.	30,000	27,380	T10	Dec.	Div. 8% = $1.12, a/c 1932	5-11-36	8 Mar	8 Mar	35 Mar	33 Mar	....	617	....	617
5	....	....	....	....	4.97½	5.02½	5.02½	....	4.50	4.97½	....	S'hai Pahang Rubber Estate, Ltd.	300,000	235,900	T1	June	Int. Div. $0.06 a/c 1936-37 ($0.10, 1935-36)	15-1-37	4.40 Dec	1.30 June	5.20 Mar	3.85 Jan	3,500	6,040	9,200	40,920
2.07½	....	....	2.05	2.08	....	2.09	2.07½	....	2.09	2.07½	....	S'hai Seremban Rubber Estates, Ltd.	325,000	325,000	T1	Dec.	Final Div. $0.07 (Mkg. $0.10, 1936)	Pending	1.80 Dec	1.20 Oct	2.09 Mar	1.60 Jan	6,500	4,000	6,500	126,850
....	20	....	....	....	17.50	19	19	....	18.60	19	....	S'hai Sumatra Rubber Ests., Ltd.	120,000	76,956	T5	Oct.	Div. $0.30 a/c 1935-36	17-2-37	15.50 Dec	6.50 Nov	19 Mar	14 Jan	2,528	1,922	....	11,000
2.04	....	....	1.97	....	....	....	2.09	....	....	2.05	....	Sua Manggis Rubber Co., Ltd.	280,000	270,000	T1	Dec.	Fin. Div. $0.04 (Mkg. $0.09, 1936)	12-3-37	1.57½ Dec	0.70 June	2.09 Mar	1.49 Jan	20,550	5,000	19,750	172,175
6.10	....	....	5.95	6.10	....	6.10	6.07½	....	6	6.07½	....	Sungala Rubber Estate, Ltd.	180,000	180,000	T1	Mar.	2nd Int. Div. $0.10 (Mkg. $0.20 1936-37 ($0.14, 1935-36)	2-3-37	5.30 Dec	2 Jan	6.40 Feb	4.90 Jan	2,450	3,312	8,151	36,585
....	....	43	....	....	43	43	....	....	43	....	....	Sungei Duri Rubber Estate, Ltd.	40,000	40,000	£1 (T8.50)	June	Int. Div. $0.75 a/c 1936-37 ($1.40, 1935-36)	15-1-37	36.50 Dec	16.50 Feb	44 Feb	33.50 Jan	700	200	1,350	5,300
2.60	2.62	....	2.50	....	....	2.62	2.62	....	2.56	2.52	....	Tanah Merah Estates (1916), Ltd.	1,500,000	1,300,000	T1	Mar.	2nd Int. Div. $0.04 (Mkg. $0.08, 1936-37) ($0.07, 1935-36)	19-2-37	2.55 Dec	1.40 Jan	2.62 Mar	2.10 Jan	23,000	109,000	50,150	460,896
1.03	....	....	1	....	....	1.03	1.04	....	1.02	1.03	....	Tebong Rubber Estate, Ltd.	4,000,000	4,000,000	T0.10	Jan.	2nd Int. Div. $0.02 (Mkg. $0.04, 1936-37) ($0.03, 1935-36)	8-1-37	0.95 Dec	0.50 July	1.06 Mar	0.82 Jan	113,500	60,900	127,150	1,044,110
16.35	....	....	15.90	16.40	....	16.50	16.50	....	16	16.50	....	Ziangbe Rubber Co., Ltd.	300,000	250,000	10s. (T4.12)	Dec.	2nd Int. Div. $0.20 (Mkg. $0.40, 1936) ($0.40, 1935)	13-11-36	14.90 Dec	8.25 Jan	16.50 Mar	14 Jan	4,925	2,300	10,500	30,240

*Quoted in Hongkong Dollars

Rubber Output Statistics

Company	Paid up Capital	Output last fin. year: Year ended	Output last fin. year: Quantity (lbs.)	Standard Production 1937 (lbs.)	Output for month of January 1937 (lbs.)	Total Output this financial year (including Jan. 1937) (lbs.)*
Alma	$ 881,119	30-9-36	422,600	679,744	47,000	167,000 (4)
Anglo-Dutch	" 2,202,797	31-12-35	946,542	1,609,312	107,805	107,805 (1)
Anglo-Java	" 2,927,288	31-12-35	2,096,688	3,473,693	332,895	332,895 (1)
Ayer Tawah	" 469,229	30-9-36	562,000	814,650	62,500	234,500 (4)
Batu Anam	" 134,266	31-12-35	410,800	609,913	39,000	39,000 (1)
Bute	" 494,682	31-12-35	457,500	816,163	57,000	57,000 (1)
Chemor United	" 111,888	31-12-36	154,770	614,793	49,000	49,000 (1)
Cheng	" 147,054	30-6-36	365,500	609,785	33,000	226,000 (7)
Consolidated (1914)	" 508,570	31-12-35	1,112,172	1,406,581	85,000	85,000 (1)
Dominion	" 279,720	31-12-35	600,299	858,283	56,400	56,400 (1)
Gula-Kalumpong	£ 665,000	31-12-35	3,039,000	—	—	—
Java Consolidated	$ 909,249	31-12-35	541,851	950,798	99,207	99,207 (1)
Kapayang	" 206,993	31-12-36	154,770	232,020	12,000	12,000 (1)
Kota Bahroe (1921)	" 484,410	30-6-36	604,950	826,854	58,700	348,600 (7)
Kroweock	" 307,692	31-12-35	700,026	1,193,191	85,097	85,097 (1)
Langkat	" 2,552,448	31-10-35	889,581	1,539,739	100,000	276,000 (3)
Padang	" 699,301	30-4-36	268,272	381,210	31,700	201,200 (9)
Permata	" 317,219	31-10-36	97,358	140,276	11,481	28,609 (3)
Repah	" 188,811	31-12-35	494,700	704,875	47,000	47,000 (1)
Samagaga	" 141,399	30-9-36	275,988	457,825	27,000	74,000 (4)
Semambu	" 125,874	31-12-36	340,300	509,140	31,000	31,000 (1)
Senawang (1921) {Ord. Pref.	" 206,913	31-1-36	540,400	668,080	42,000	448,000 (12)
Shanghai Kedah	" 419,580	30-9-36	540,808	918,920	64,800	211,300 (4)
S'hai Kelantan (1925)	" 195,804	31-12-35	280,807	337,363	23,200	23,200 (1)
Shanghai Klebang	" 438,620	31-12-35	129,155	172,625	12,000	12,000 (1)
Shanghai Malay {Ord. Pref.	" 802,517	31-12-35	517,231	729,330	58,000	58,00 (1)
Shanghai Pahang	" 329,930	30-6-36	353,969	561,520	31,100	220,200 (7)
Shanghai Seremban	" 454,545	31-12-36	216,910	309,000	17,000	17,000 (1)
Shanghai Sumatra	" 538,154	31-10-36	416,953	830,085	62,000	160,000 (3)
Sua Manggis	" 377,622	31-12-36	190,700	254,495	18,400	18,400 (1)
Sungala	" 252,000	31-3-36	272,300	437,163	33,000	272,445 (10)
Sungei Duri	" 475,524	30-6-36	475,700	692,540	57,000	326,500 (7)
Tanah Merah (1916)	" 1,818,182	31-3-36	976,750	1,423,838	94,000	785,000 (10)
Tebong	" 559,441	31-1-36	1,160,000	1,639,307	84,000	1,014,000 (12)
Ziangbe	" 1,440,619	31-12-35	920,808	1,548,[illegible]	125,662	125,662 (1)

*Numbers in brackets indicate the number of monthly outputs included in said totals.

Rubber Prices

March	6th	8th	9th	10th	11th	12th
London Spot	11d	11.3/16d	11.1/4d	11.3/16d	11.7/16d	11.9/16d
March	11.1/16d	11.1/4d	11.5/16d	11.1/4d	11.1/2d	11.9/16d
Apr/June	11.1/16d	11.5/16d	11.5/16d	11.1/4d	11.1/2d	11.9/16d
Market	Very firm	Strong	Firm	Steady	Firm	Uncertain
Singapore Spot	36.7/8	37.3/4	37.7/8	37.3/4	38.1/4	39.1/8
Apr/June	37.1/4	38.1/8	38.1/4	38	38.1/2	39.3/8
Market	Very steady	Very steady	Quiet	Quiet steady	Very steady	Easier
New York Futures March	22.53	22.85	22.60	22.62	23.48	23.23
May	22.73	23.07	22.71	22.71	23.58	23.32
July	22.84	23.16	22.88	22.85	23.70	23.41
September	22.95	23.20	22.94	22.87	23.80	23.19

Forward Settlements for 1937

March 23rd, Tuesday	April 27th, Tuesday	May 25th, Tuesday
June 22nd, Tuesday	July 27th, Tuesday	August 24th, Tuesday

Debentures

‡Will be redeemed 30-6-36

†From 25th August (1st Payt. 31-5-37)
§ " 7th January, 1937

OPENING PRICES March 10th, 1937				Buyers	Sellers	Nominal	Last Done: Price	Last Done: Date	Loan Amount outstanding	Interest payable at end of	Total amount of sales reported Jan. 1—Mar. 12: 1936	1937
Shanghai Municipal Council	6%	1925 (10/30)	Tls.	..	..	100	100	9-3-37	Tls. ‡5,600,000	June-Dec.	115,100	50,900
" " "	6%	1926 (")	"	..	..	100	100	9-3-37	4,800,000	do.	91,900	18,000
" " "	7%	1927 (10)	"	..	..	101	100	9-3-37	2,187,500	do.	1,700	11,600
" " "	5%	1934 (10/30)	$	..	..	96	96½	11-3-37	$10,404,700	do.	109,400	60,600
" " "	5½%	1936 (10)	"	..	..	101½	101½	8-3-37	$5,000,000	do.	—	111,100
French Municipal Council	6%	1911 (10/30)	Tls.	..	..	100½	99	17-11-36	121,100	May-Nov.	1,800	—
" " "	5½%	1914 (")	"	..	..	97	97½	12-6-36	271,000	June-Dec.	—	—
" " "	5½%	1916 (")	"	..	..	97	100½	31-4-34	263,700	do.	—	—
" " "	8%	1921 (")	"	..	..	103	103	4-3-37	1,679,300	do.	—	10,600
" " "	6%	1923 (")	"	..	..	100½	99½	12-1-37	731,000	May-Nov.	7,500	5,000
" " "	7%	1924 (")	"	..	..	100½	101	22-12-36	759,600	Mar.-Sept.	10,700	—
" " "	6½%	1925 (20/30)	"	..	..	102	102	7-7-36	2,000,000	Apr.-Oct.	1,000	—
" " "	6½%	1926 (")	"	..	..	102	102½	16-5-36	1,000,000	Jan.-July	4,200	—
" " "	6%	1930 (10/25)	"	..	..	101	100	22-12-36	2,000,000	Apr.-Oct.	—	—
" " "	6%	1931 (")	"	..	..	101	101	8-3-37	3,000,000	Feb.-Aug.	10,000	10,000
" " "	6%	1933 (10/30)	"	..	..	101	100½	22-12-36	2,000,000	Mar.-Sept.	28,900	—
" " "	5%	1934 (")	$	..	..	92	91	11-3-37	$5,000,000	July-Jan.	2,300	7,900
" " "	6%	1936 (10/15)	"	..	..	101½	101½	6-3-37	$2,500,000	May-Nov.†	—	105,400
American Club	7%	1933 (5/20)	Tls.	..	..	89	89	20-10-30	750,000	1/4-1/10	5,000	—
Anglo-French Land Invest. Co.	6%	1931 (10/20)	"	..	..	100	100	22-2-37	1,000,000	June-Dec.	2,400	15,000
Asia Realty Co.	6%	1930 (10/30)c	"	..	..	90	90	7-2-35	1,360,200	1/3-1/9 }	—	—
" "	6%	1930 (10/30)r	"	..	..	90	90	7-2-35	3,000,000	1/4-1/10 }		
Cathay Land Co.	6%	1930 (5/20)	"	..	..	80	80	10-3-37	3,000,000	June-Dec.	5,000	5,000
" " "	6%	1932 (10/20)	"	..	..	80	68	6-1-37	1,000,000	do.	—	22,000
" " "	6%	1933 (")	$	..	..	80	75	19-2-37	$1,500,000	do.	—	36,000
Central Properties	5½%	1934 (10)	"	..	..	94	94	22-2-37	$18,000,000	do.	41,000	51,000
China Realty Co.	8%	1930 (5/10)	Tls.	..	..	47½	47½	9-3-37	3,000,000	1/4-1/10 }	46,300	174,500
" " "	8%	1931 (")	"	..	..	47½	47½	9-3-37	4,500,000	1/4-1/10 }		
China Transport	8%	1931 (4/20)	"	..	..	100	100	15-5-34	600,000	June-Dec.	—	—
City Loan	7%	1932 (20)	$	98½	..	..	99	10-3-37	$6,000,000	15/6-15/12	46,000	87,300
" "	7%	1934 (12)	"	..	..	92	84	6-1-37	$3,500,000	30/6-30/12	2,000	10,000
Columbia Country Club	7%	1933 (1/12-20)	Tls.	..	..	95	95	4-5-37	350,000	do.	14,100	—
Country Club	6%	1901 (Perpl)	"	..	..	95	95	18-2-37	122,100	do.	—	1,000
Fonciere & Immobiliere	{6%	1930 (10/15)	"	..	..	89	89	3-3-37	1,000,000	do. }	—	50,000
	{6%	1933 (10/15)	"	..	..	89	89	3-3-37	1,000,000	do. }		
Fonciere & Immobiliere	6%	1934 (")	$	..	..	89	85	13-1-37	$2,000,000	do.	—	51,000
French Club	7%		Tls.	..	..	90	82	5-3-37	500,000	do.	1,750	250
International Investment Trust	6%	1930 (10/25)	"	80	..	..	81	1-3-37	2,000,000	1/4-1/10 }	19,500	1,000
" " "	6%	1931 (")	"	80	..	..	81	1-3-37	1,000,000	1/4-1/10 }		
G. E. Marden & Co.	6%	1930 (10/15)	"	..	..	95	95	17-12-36	500,000	June-Dec.	8,000	—
Metropolitan Land Co.	6%	1933 (10/20)	$	..	..	85	85	25-2-37	$2,000,000	do.	8,000	6,500
Race Club	6%	1934 (10/25)	"	..	92	..	90	8-3-37	$2,000,000	Feb.-Aug.	7,400	3,000
Realty Investment Co.	6%	1934 (10/30)	"	..	..	90	102	6-11-34	$500,000	June-Dec.	—	—
Shanghai Land Investment Co.	6%	1926 (20/30)	Tls.	99	..	..	97	15-1-37	500,000	Mar.-Sept.	—	6,000
" " " "	5%	1930 (15)	"	..	..	85	86	15-1-37	5,000,000	31/5-30/11	3,000	1,100
" " " "	6%	1931 (10/20)	"	99	..	..	99	10-3-37	3,000,000	June-Dec.	—	10,200
" " " "	6%	1933 (5/20)	"	99	..	..	97	4-7-36	1,000,000	do.	—	—
" " " "	5%	1934 (5/40)	$	..	..	85	80	28-1-36	$2,800,000	Apr.-Oct.	—	25,000
Shanghai Power Co.	5½%	1933 (10/40)	"	93½	91	..	93½	11-3-37	$88,000,000	10/2-10/8	1,083,600	1,284,900
Shanghai Telephone Co.	6%	1932 (10/25)c	Tls.	..	..	100½	100½	5-3-37	5,000,000	1/2-1/8 }	52,000	164,600
" " "	6%	1932 (10/25)r	"	..	..	100½	100½	5-3-37		1/2-1/8 }		
" " "	6%	1933 (9/21)c	$	..	..	100½	100½	6-3-37	$10,000,000	1/2-1/8 }	162,000	660,700
" " "	6%	1933 (9/24)r	"	..	..	100½	100½	6-3-37		1/2-1/8 }		
Tientsin Land Investment Co.	7%	1929 (12/22)	Tls.	..	..	89	103½	22-12-33	1,422,100	June-Dec.	—	—
Shanghai Waterworks Co.	6%	1925 (10/30)	"	..	..	103	103	15-1-37	‡500,000	do.	—	—
" " "	6%	1932 (")	"	..	..	103	103	15-1-37	2,800,000	do.	10,500	1,000
" " "	5½%	1937 (")	$	..	..	101½	101½	23-2-37	$2,000,000	§ do.	—	221,300
Wing On Co. (S'hai)	7%	1936 (10)	$	..	..	94½	94½	27-1-37	$5,000,000	1/4-1/10	—	9,000

TO-DAY'S EXCHANGES:

Hongkong & Shanghai Bank Official Selling Rates (T/T) Opening 12th March, 1937

London £1 at Exch. 1/2½ = Sh. $16.70 New York G. $100 at Exch. 29½ = Sh. $340.43. Hongkong $100 at Exch. 97 = Sh. $103.09

Chinese Government External Bonds

			London Nominal Prices Mar. 4th	Mar. 11th
5	per cent	Reorg. Loan 1913, British Issue	£ 97 0 0	£ 97 0 0
4½	"	Gold Loan 1908	£100 10 0	£100 10 0
5	"	Gold Loan 1912	£ 93 10 0	£ 91 5 0
5	"	Gold $ Loan 1925, stamped (Per G. $500)	£100 10 0	£101 15 0
5	"	Shanghai-Nanking Railway Bonds	£ 89 0 0	£ 90 0 0
5	"	Hukuang Railway Bonds	£ 68 15 0	£ 71 0 0
5	"	Tientsin-Pukow Railway Bonds 1908	£ 68 0 0	£ 71 10 0
5	"	" " " 1910	£ 68 0 0	£ 71 0 0
5	"	Honan Railway Bonds 1905	£ 84 10 0	£ 88 0 0
5	"	Lung Tsing U Hai Railway Bonds	£ 39 15 0	£ 42 0 0
8	"	Sterling Notes 1925 (Vickers)	£ 36 15 0	£ 39 15 0
6	"	Indemnity Loan 1934	£104 0 0	£104 10 0
6	"	S'hai-Hangchow Ningpo Rly. (Completion)	£ 95 0 0	£ 95 0 0

Company's Notices

China Finance Corporation—The Annual General Meeting of Shareholders will be held at No. 9 Avenue Edward VII, Shanghai, on Monday, March 15th at 10.30 a.m. The Transfer Books will be closed from March 11th to 15th, both days inclusive.

The Shanghai Electric Construction Co., Ltd.—At a meeting of the board of directors held on March 9th, it was decided to recommend payment of a final dividend at the rate of 9%, making 13% for the year, at the next annual general meeting of shareholders to be held in Shanghai on April 14th.

The Shanghai Kedah Plantations, Ltd.—An Interim Dividend of $0.10 per share has been declared, payable to shareholders on Wednesday, March 24th. The Transfer Books will be closed from March 19th to 24th, both days inclusive.

The Shanghai Gas Co., Ltd.—At a meeting of the board of directors held on March 4th, it was decided (subject to audit) to recommend to shareholders at the forthcoming annual general meeting, the payment of a dividend for 1936 at the rate of 4% per annum.

Ewo Cotton Mills, Ltd.—The 16th Ordinary Meeting of Shareholders will be held at No. 27 The Bund, Shanghai, on Wednesday, March 31st at 11 a.m. when a dividend of $0.60 per share on ordinary shares will be recommended to Shareholders. The Transfer Books will be closed from March 18th to 31st, both days inclusive.

The Semambu Rubber Estates, Ltd.—The 24th Annual General Meeting will be held at No. 93 Canton Road, Shanghai, on Tuesday, March 16th at 11.45 a.m. when a dividend of $0.03 per share will be recommended to shareholders. The Transfer Books will be closed from March 9th to 16th, both days inclusive.

The Shanghai Seremban Rubber Estate, Ltd.—The 22nd Annual General Meeting of Shareholders will be held at No. 93 Canton Road, Shanghai, on Tuesday, March 16th at 11.30 a.m. when a final dividend of $0.07 per share will be recommended to shareholders. The Transfer Books will be closed from March 9th to 16th, both days inclusive.

The Shanghai Waterworks Co., Ltd.—The Annual General Meeting of Shareholders will be held at No. 484 Kiangse Road, Shanghai, on Thursday, April 1st at 12 noon, when the following dividends will be recommended to Shareholders on Intra-Agreement Consumers' Account for the half year ended December 31, 1936, a dividend of 3½% on 7% Cumulative Redeemable Preference Shares and 3¼% on 6½% Cumulative Redeemable Preference Shares, and for year 1936 a final dividend of 5¼% (or 21/– a share) on "A" shares, 3¼% (or 7.8d. a share) on "B" shares and 4¼% (or 10.2d. a share) on "C" shares and a dividend on Extra Agreement and Shipping Consumers' of 2/4d. for each "A" share and 1.4d a "B" share. The Transfer Books will be closed from March 16th to April 1st, both days inclusive.

Share Report

Share Market Report (Up to Friday noon):—Interest in General Shares was well sustained throughout the week. Power Prefs. firmed slightly, from $132 to $132.50. Trams "Bearer" were off from $40.25 (last week's closing) to $39.50. Business was recorded in Trams "Regd." (700 shares) @ $38.50. Shanghai Waterworks "A" were done @ $635. Close on 2,000 Shanghai Docks changed hands @ $102/101.50. Wheelocks were the medium of business @ $13.25/13.40 and New Engines @ $6/6.50 for "Prefs" (12,400 shares) and $3.10/3 for New Engines "Ord." Shanghai Telephones are still in strong demand and advanced from $76 to $80.

In Lands, business was recorded in Shanghai Lands @ $16.50/16.40; In Cathay Lands (8,900 shares) @ $3.75 and in China Realty (18,350 shares) @ $1.20/1.45.

Ewos, after a slight improvement from $15.80 to $15.95 in the early part of the week, eased to $15.40 (March) at the close. Other transactions during the week included Hongkong Banks @ Hk.$1,860/1,855; Unions of Canton @ Hk.$629/627; Yangtsze Finance @ $8; International Investment Trust @ $3.75/3.50; International Assurance Co. @ $4.25/4.35; Shanghai Loans @ $3.80; Explorations @ $2.75; C.G. Omnibus @ $9.50; Bakerite (5,100 "A" & "B") @ $4.25; Auto Palace @ $6.75; China Import & Export Lumber Co. @ $13 and Kaipings @ $18/17.50. Business was also noted in Ewo 8% Prefs. @ $167.50; in Shanghai Waterworks 7% Prefs. @ $17 and in Shanghai Waterworks 6½% Prefs. @ $15.25.

Rubbers have had a good week with the price of rubber up from 11d. to 11.9/16d. over the week. The turnover for the week totalled 834,061 shares. The chief advances in prices were in Butes from $5.45 to $5.80; Dominions from $8.30 to $8.75; Java Consolidated from $2.50 to $2.62; Kedahs from $7.55 to $7.90; Kotas from $4.20 to 4.32½; Langkats from $9 to $11.30; Padangs from $1.60 to $1.66; Repahs from $1.04 to $1.11; Samagagas from 78 cts. to 88 cts.; Shanghai Malay (Ord.) from $17 to $21 and Tanah Merahs from $2.52½ to $2.61.

In Debentures, Shanghai Power 5½% were done @ $94; Shanghai Telephone 6% At 100.25; Shanghai Land 6% 1931 @ 99; Cathay Land 6% 1930 @ 80; China Realtys @ 47½ and Race Clubs 6% @ 90, whilst in Municipals there were transactions in S.M.C. 5½% 1936 ($220,000) @ 101.25; S.M.C. 5% 1934 @ $96/96.50; S.M.C. 6% 1925 and 1926 @ 100 and in F.M.C. 6% 1936 @ 101.25; F.M.C. 6% 1931 @ 101 and in F.M.C. 5% 1934 @ 91.

Rubber Reviews, Chinese Government Bonds, etc.

Rubber Review—The following information has been courteously supplied by Reuters:—

London and Liverpool stocks of rubber on March 6th totalled 59,829 tons, showing a decrease of 3,964 tons during the week. Deliveries during the week totalled 4,717 tons compared with 2,190 for the previous week. The following are the usual comparative weekly prices:—

	London Spot	London Apl/June	Singapore Spot	Singapore Apr/June	New York Futures Mar.	May	July
Mar. 5	10.9/16	10¾	35⅞	36½	21.70	21.86	21.98
Mar. 11	11.9/16	11.9/16	39½	39¾	23.23	23.32	23.41
	Uncertain		Easier				

Chinese External Loans have been most active on the London market and in most cases have advanced appreciably. Crisps are up from £93½ to £94½; Shanghai-Nankings from £89 to £90; Hukuangs from £68¾ to £71; Tientsin-Pukow 1908 from £68 to £71½ and from £68 to £71 for the 1910 Issue; Honan Railways from £84½ to £88; Lunghais from £39¾ to £42 and Vickers from £36¾ to £39½.

The Information above given, though not guaranteed, has been obtained from sources believed to be reliable.

Agents and Secretaries of Companies are requested kindly to notify J. P. BISSET & Co. 12 The Bund, Shanghai (Compilers of this Report on behalf of the Shanghai Stock Exchange) of any errors or omissions.

SHANGHAI BUSINESS INDICATORS

January Witnesses Further Advances in Wholesale Prices: Little Spent on Construction

January witnessed further advances of wholesale prices: the general index rose to 121.6, representing an increase of 2.4 per cent. over 118.8 for December, 1936, and an increase of 16.6 per cent. over 104.3 for January, 1936, thus establishing a new high mark since January, 1932.

The tendency for price appreciation was more marked in metals, cereals, building materials and miscellaneous commodities. Metal prices rose in response to a corresponding increase in the international market, the rise being accentuated by the small stocks existing in Shanghai. Continued heavy demand for cereals, coupled with the extreme shortage of foodstuff in Kwangtung, accounted for the large gains made in cereal prices.

Prices of building materials also increased, especially those of black brick, glass plates, American pines and softwood. As to miscellaneous commodities, this group rose by 2.3 per cent. owing in some cases to heavier export demand, as for vegetable oil, and in other instances to reduce stocks in Shanghai (paper, etc.).

Comparing raw materials with manufactured goods, the former has risen even more rapidly than the latter, the increases for the two groups amounting to 3.1 per cent. and 2.0 per cent., respectively. The reason for the considerable upward turn of forest products was the increase in the price of vegetable tallow, tung oil, pine, etc., while the heavy demand for rice, bean, ramie, etc., was responsible for the upward movement of corn crops.

As to the index numbers of the cost of living, they also showed a general tendency to rise. The retail price of rice soared in response to its wholesale price, while demand for other foodstuffs, including meat and vegetables, was heavy because of the Lunar New Year, bringing about an all around rise in prices.

The figures for construction and real estate do not reveal substantial changes for the first month of this year. The estimated value of building construction in the International Settlement, amounting to $477,300, compared favourably with only $171,820 in the corresponding month of 1936. The January slackness in the building trade found reflection in the small sum of $16,080 representing the total amount spent for construction in the French Concession: according the authorities, however, prospects for the coming months are definitely better.

Industrial production showed divergent trends during the month under review. A slight drop was registered in the combined output of the three electric companies furnishing figures to the Table of Business Indicators.

The rate of cigarette production was accelerated as compared with the previous month, though the 84,910 cases produced in December, 1936, is quite a setback as compared with the 114,012 of a year ago.

The output of cotton yarn increased vigorously.

Activity at flour mills in December, 1936, rose well over the level of production of a year ago, but declined against the output of a month ago.

Match production was larger in volume than in the previous month, and the output of cement rose sharply as compared with a year ago.

Security prices were well sustained, though trading was less active than in the previous month, a total of 3,135,308 shares changing hands, against 4,394,520 in December, 1936. There was a drop in the clearings and collections of the Joint Reserve Board and an increase in business failures and suspensions.

The January figures of Shanghai's foreign trade augur well for the attainment of a favourable balance during the coming year. Imports declined from December to January by G.U. 3,616,141, while exports increased by G.U. 2,086,537, thus reducing the import surplus from G.U. 7,514,510 in December, 1936, to G.U. 1,811,832 in January, 1937. The principal export gains in January of this year over the same month a year ago were in textile fibres, animal products, ores, metals, and tea.

	Jan. 1937	Dec. 1936	Jan. 1936
Index No. of Wholesale Prices (1926=100) (1)	121.6	111.8	104.3
All Commodities	114.8	114.4	97.1
Raw Materials	129.9	124.4	109.4
Manufactured Goods	122.4	121.9	107.4
Producers' Goods	125.4	122.9	108.3
Consumers' Goods			
All Manufactured Goods	120.1	117.5	111.0
Index No. of Cost of Living:	111.3	106.8	93.3
General	100.9	100.7	84.0
Food	109.1	109.0	111.0
Clothing	127.6	127.0	137.6
Housing	153.7	153.5	161.8
Fuel and Lighting			
Misc.			

	Feb. 1937	Jan. 1936	Feb. 1936
Cotton Yarn, Standard 20's "Chin Kee" February Avenue	251.51	248.00	197.57
Flour, Feb. Ave., per bag	4.73	4.00	3.12

	Jan. 1937	Dec. 1936	Jan. 1936
Construction and Real Estate:			
Building Permits Issued:			
S.M.C.	125	124	97
F.M.C.	11	12	22
M.G.S.	109	120	81
Estimated Value $:			
S.M.C.	477,300	354,050	171,820
F.M.C.	16,080	25,400	36,400
M.G.S.	349,250	562,880	617,640
Production: (2)			
Electric Power Kwh.	96,870,146	98,458,512	74,143,679
	Dec. 1936	Nov. 1936	Dec. 1935
Cigarettes (case) (3)	84,910	80,950	114,012
Cotton Yarn (Quintals)	290,914	253,380	232,845
Flour, (bag)	3,184,454	3,526,269	2,641,591
Matches (case)	19,620	18,719	20,514
Cement (bag)	21,154,630	19,627,690	15,787,050
(1 sack=22.23 Kg., 1 case=7.200 boxes)			

	Feb. 25, 1937	Jan. 25, 1937	1936-37 High	1936-37 Low
Finances:				
Security Prices:				
Government Bonds	97.74	95.17	106.55	81.62
General Stocks	48.03	44.50	59.20	44.14
Rubber Shares	310.24	279.43	311.45	145.59

	Jan. 1937	Dec. 1936	Jan. 1936
(4)			
Stock Sales in Shares	3,135,308	4,394,520	308,572
Notes Issued by Leading Banks (add 000) $	842,201	801,605	522,258
Native Interest Rates, per mills, per diem	0.08	0.08	0.08
Joint Reserve Board:			
Clearings, $	516,062,575	633,399,857	480,063,527
Collections, $	145,860,957	174,595,175	106,432,401
(5)	Dec. 1936	Nov. 1936	Dec. 1935
Business Failures and Suspensions	31	23	106

	Feb. 20, 1937	Jan. 20, 1936	Feb. 20, 1936
Foreign Exchange:			
£	1/2⅜	1/2⅜	1/2⅜
U.S$	29⅞	29⅞	29⅞
Yen	102⅝	102⅝	102⅝
Silver, London Spot	20d	20⅜	20d
Silver, New York, Spot	44¾	44¾	44¾
Gold Bars	1157.00	1152.90	1147.90

	Jan. 1937	Dec. 1936	Jan. 1936
Shanghai Foreign Trade:			
Imports, in G.U.	19,062,671	22,678,812	15,872,966
Exports, in G.U.	17,250,839	15,164,302	16,487,568
Vessels Entered and Cleared:			
From and for abroad, tons	1,115,860	1,252,520	1,234,662
From and for Chinese Ports	1,365,840	1,464,030	1,201,500

(1) Compiled by National Tariff Commission.
(2) Excluding Nantao Electric Power Co.
(3) Figures refer to Kiangsu, Cheklang and Anhwei.
(4) Compiled by Swan, Culbertson and Fritz.
(5) Compiled by "The Chinese Economic and Statistical Review."

LARGEST RAYON FACTORY IN CHINA

Nanking, Mar. 8.

China will have its largest rayon factory at Wusih, Kiangsu, next January, it is learned from the Ministry of Industries to-day. Capitalized at $4,000,000 by Wusih silk industrialists, the factory will, however, be placed under the control of the Ministry. The daily output of artificial silk is estimated to be three tons.

It is also reported that another rayon factory will shortly be established in Shanghai jointly by the Shanghai Silk Industrial Association and the banking circles there.—Central News.

PROSPEROUS MONTH FOR BRITAIN

London, Mar. 13.

In her overseas trade, Britain has enjoyed her most prosperous February since 1930.

Exports, official returns published to-day show, amounted to £38,000,000, only £500,000 less than the exports for the highly prosperous month of January, which was three days longer.

Imports totalled £71,652,000. Imports in the first two months of 1937 showed an increase over the corresponding period in 1936 of £15,000,000, while exports in the same period were £8,000,000 up.—Reuter.

NEW YORK STOCKS

By courtesy Swan, Culbertson & Fritz

Shanghai, Mar. 14.

After its unusually wide advance during the first week of the month, the stock market reopened Monday with prices generally lower as a result of heavy profit-taking induced by further sit-down strikes. The decline encountered good buying support, however, at the slightly lower levels and a resumption of the advance carried the averages to new recovery highs on Wednesday on a relatively heavy volume of trading. Movements continued selective with the rails and so-called commodity stocks leading the rally while some of the tobacco issues were under pressure on the belief that the industry is suffering from narrowed profit margins. Another wave of profit-taking on Thursday caused the widest set-back for a single session since February 23rd and the net results of the week's trading were only a small gain for the market as a whole.

Commodity prices ruled strong though increased speculation in expectation of inflation is making for a rather vulnerable technical position. Profit-taking which touched off stop loss orders caused a sharp decline in cotton on Monday but quotations soon rallied in response to heavy buying both at home and abroad. Wheat registered large gains on further dust storms in the Southwest and the world shortage of old crop supplies which is causing buying of new crop months. Corn reflected its excellent statistical position but was rather neglected inasmuch as operators seem to prefer wheat. Rubber reacted on Monday as a result of profit-taking and dealers' selling but quickly recovered and was at a new high on Wednesday.

Business activity is increasing, especially in the durable goods industries, and U.S. Steel Corporation's shipments for February were the largest for this month since 1930. Labour difficulties are still widespread and sit-down strikes are underway in numerous factories.

The market in figures:

	Thursday Mar. 4	Mar. 11	Change
D. J. Average for 30 Industrials	191.63	192.22	up .59
D. J. Average for 20 Rails	60.28	62.61	up 2.33
D. J. Average for 20 Utilities	34.33	33.22	off 1.11
D. J. Average for 40 Bonds	103.89	103.38	off .51
D. J. 11 Commodity Index	75.19	77.50	up 2.31
American Tobacco "B"	94⅞	83⅛	off 11¾
Brooklyn-Manhattan Transit	47¼	42⅝	off 4⅝
Goodrich	42½	49⅞	up 7⅜
Goodyear	40⅛	45⅞	up 5
Republic Steel	37½	45⅜	up 7⅞

Commodity prices:	Thursday Mar. 4	Mar. 11
Chicago wheat	114⅝	120⅝
Winnipeg wheat	127⅛	132⅛
Corn	101⅞	105
Cotton	12.95	13.71
Rubber	22.21	23.43
Hides	16.01	16.62
Copper	14.96	15.75
Montreal silver	46.00	45.50

Business:	Previous	Latest
N.Y. Times Index	104.8	107.3
Steel operations (% of capacity)	85.8	87.3
Carloadings (carloads)	715,000	697,000
Electric power production (k.w.hrs.)	*2,207,000	*2,200,000
Automobile output (cars)	111,915	127,134
Average daily oil production (bbls.)	3,296,000	3,299,000

*000 omitted

Stock Outlook: A real inflation psychology is developing and a speculative boom in American stocks appears under way. Issues which will benefit by higher commodity prices are most in favour and steels, metals, oils and rubbers are being heavily bought. Such conditions always lead, sooner or later, to a drastic shake-out in the market though for the time being still higher price levels seem in prospect. Since the decline from the highs of last October terminated shortly before Christmas, at no time have the Dow-Jones industrial and railroad averages jointly recorded as much as a 3 per cent. recession from any previous high. Commitments made under existing conditions must be speculative rather than investment so far as the short term is concerned and the action of the market should be closely watched for some indication of an approaching technical reaction.

Monday's Closing Quotations

	Mar. 13	15
Adams Express	21⅝	22
Allegheny Steel Co.	44¼	45⅛
Allis Chalmers	68	67⅝
Amer. Can	111¼	109¾
Amer. Cyanamid "B"	31¾	32⅛
Amer. & For. Pwr.	12	12
" " $7 pfd.	59	58¼
Amer. Locomotive	54½	54⅝
Amer. Metals	65⅞	64½
Amer. Radiator	26⅛	26⅝
Amer. Rolling Mill	42⅞	42¼
Amer. Smelting	102¾	102
Amer. Steel Foundries	64½	65
Amer. Sugar Ref.	49½	48¾
Amer. Tel. & Tel.	174⅛	175¼
Amer. Tobacco "B"	84	83½
Amer. Waterworks	24¼	24⅛
Anaconda Copper	67	66⅛
Atchison, T. & S. Fe	94	93
Atlantic Ref. Co.	35½	34⅝
Atlas Corp.	18½	18¼
Auburn	30 B	30
Baldwin Loco. $7 cum. pfd.	114 Bid	118
Baltimore & Ohio	36½	35⅛
Barber Co.	41	40¾
Barnsdall Oil Co.	32¼	32
Bethlehem Steel	101¼	99¾
Boeing Airplane Co.	45½	47¾
Borden Co.	27⅛	27
Briggs Manufacturing Co.	50½	49¾
Bklyn-Manhattan Trans.	43½	43½
" " $6 cum. pfd.	96 B	96 B
Case, J.I.	158B	156
Can. Pacific Rly.	16	16
Celanese Corp.	34⅛	33XD
Cerro De Pasco	81½	81
Certain-Teed Products	19¾	19¾
Chase Nat. Bank	59¼B	59B
Chesapeake Corp.	84½	83½
Chesapeake & Ohio	64¾	63¾
Chrysler	128	127⅜
Columbia Gas & Elec.	16¾	16½
" " 6% "A" pfd.	100½A	100B
Coml. Credit	60⅛	60⅜
Coml. Solvents	18⅜	18⅞
Comm. & Sthrn. (ord.)	3	3
" " $6 cum. pfd.	60½B	60
Consolid. Edison	40⅛	40⅛
Consolid. Oil	17⅛	17
Continental Can	61¾	61½
Continental Oil	44½	43⅞
Corn Products	68⅜	68½
Coty, Inc.	8⅞	9½
Crucible Steel	78	77
Curtiss Wright (com.)	7¼	7⅜
" " "A"	21¾	22¼
Delaware & Hudson	54½	54½
Delaware, Lackawanna, West.	22¾	22⅝
Deere Co.	131	130
Distillers Corp. Seagrams	27⅛	27
Douglas Aircraft	65	65½
Du Pont de Nemours	170	168¾
Eagle Picher Lead	25	24¾
Elec. Boat Co.	13¾	14
Elec. Bond & Sh.	23⅜	23⅛
" " $5 pfd.	75 B	75
" " $6 pfd.	81½	82¾
Elec. Power & Lt.	23½	23⅛
" " " " 7% pfd.	80	79¾
Firestone Tire & Rubber	39⅞	39½
Flintkote Co.	41¼	41¾
Gen. Cigar	47B	46⅜
Gen. Elec.	59½	58¾
Gen. Foods	42½	42½
Gen. Motors	65⅝	65⅜
Gen. Rail. Signal	53	53½
Gimbel Bros	27½	26¾
Glidden Co.	47⅛	47½
Godchaux Sugar, Class "A"	47	47¾B
Goodrich (B.F.)	48⅞	47⅝
" " $5 pfd.	86⅞	86½
Goodyear Tire & R.	46	45½
Greyhound Corp.	16	15¾
Great Northern Rly.	53	52¼
Great Western Sugar	35½B	35
Hecker Prods.	14½	14¼
Humble Oil	83⅝B	83
Int. Nickel	71½	71⅞
Int. Tel. & Tel.	14⅛	13⅞
Interstate Department Stores	34½	34½B
Kennecott	66½	65⅛
Lambert Co.	21½	21½
Lima Locomotive Works	75	75½
Lockhood Aircraft	14⅛	14⅜
Loew's Inc.	78¼	77¼
Lorillard	24⅜	24¾
Martin, Glenn L. Co.	28½B	27¾B
McKesson & Robbins Inc.	46¼	46¼
Monsanto Chemical	93	93
Montgomery Ward	67⅜	66¾
Mountain City Copper	15⅞	15⅞
Murray Corp. of America	17⅞	17⅜
Nat. Bond Investment	28⅝	28¾
National Cash Register	37¼	37
Nat. City Bank	56½B	55⅞B
Nat. Dairy Prods.	25½	24¾
Nat. Distillers	32⅜	33⅛
Nat. Power & Lt.	11⅞	11¾
New York Central	51⅞	51½
Niagara Hudson & P. Corp.	13¾	14
North Am. Aviation	15	15⅛
North Amer.	28	27½
Northern Pacific	34⅛	33¾
Oliver Farm Equip	64	64
Pacific Gas & Elec.	33⅛	32½
Pacific Lighting	45⅜	45½
Packard Motors	11⅛	11
Paramount Pictures Inc.	25	24¼
" " " " 1st pfd.	174 B	168B
Pennsylvania R.R.	48⅜	47⅜
Phillips Petroleum	57	57½
Public Serv. of N.J.	43½	43½
Pure Oil	21⅞	21⅜
Radio Corp.	11⅞	11⅝
Republic Steel Co.	45⅞	45
Revere Copper & Brass	45½	43½
Reynolds Tobacco "B"	51⅞	52
Schenley	49	48½
" 5½% pfd.	97¾B	98¼
Sears Roebuck	94¾	93
Shell Union Oil	33⅛	32⅞
Socony-Vacuum	19	18⅞
Sthrn. Cal. Edison	27¾	27¼
Sthrn. Pacific	62⅜	61⅞
Southern Rly	39½	38½
Sthrn. Rly. 5% pfd.	57½	57
Stand. Brands	15¼	15⅛
Stand. Gas & Elec.	12	12¼
" " pfd.	68½	68
Stand. Oil of N.J.	73⅜	73
Sterling Prods.	67¾	65
Studebaker	18⅝	18¼
Swift International	31⅝	31⅜
Technicolor	22⅞	23
Texas Corp.	57⅞	56¾
Texas Gulf Sulphur	39⅝	39¾
Tide Water Associated Oil	20⅞	20⅝
Timken Detroit Axle	26¾	26⅛
Transamerica	16½	16½
Twentieth Century Fox	40¼	39⅞
Union Carbide & Carbon	50	50
Un. Pacific	108½	106¾
Un. Aircraft (new)	144½	144
Un. Airline Trans.	32⅞	33½
Un. Corp.	21	21
" $3 cum. pfd.	61½	61½
Un. Gas Corp.	42⅝	42¾
Un. Gas Improvement	12⅜	12⅜
Un. Light & Pwr. "A"	14½	14½
U. S. Indus. Alcohol	8⅜	8¼
U. S. Rubber	39⅛	39
" " 8% non-cum. pfd.	66	65
U. S. Smelting, Ref.	109¼	108
U. S. Steel	99⅝	99
Vanadium	122¾	121
Warner Bros. Pict's	37⅜	36⅝
Westinghouse Air Brakes	15¼	15
Westinghouse Elec.	54	53½
Woodward Iron	147¾	146
Youngstown Sheet & Tube	44B	42¾B
BONDS	96¼	95½
Abitiby Power & paper	92 B	92¼
Amer. & For. Power	81¼	80
Amer. Waterworks	109	109
Anaconda Copper 4½s 1950	105⅜	105½
Anglo Chilean Nitrate Corp.	41¾	41½
Brazil (U.S. of) (1926)	44	44½
Chic. Milwaukee St.	32⅞	33¼
Cities Serv. Pwr. & Lt.	72	71¼
Columbia Gas & Electric	102¾	102
Int. Tel. & Tel. Conv.	84	81½
Int. Tel. & Tel. 5s 1955	74½	74⅜
Minas Geraes (State of) 1958	30½	29 B
New England Gas & Elec.	79	77½
Peru 6s 1961	24	23½
Rio Grande do Sul (State of)	28¾	27¾B
Sao Paulo (City of)	21 B	20½
Stand. Gas & Elec.	91	90½

B—Bid. A—Asked. X.D.—ex Dividend.

CANTON CUSTOMS REVENUE INCREASING

Canton, Mar. 9.

Official returns issued by the Canton branch of the Chinese Maritime Customs show that Customs revenue is steadily increasing in Kwangtung. The upward trend is attributed to the rigid enforcement of measures designed to check smuggling. During the quarter ending on January 31, 1937, the Customs revenue collected in the province totalled $8,018,000 compared with $4,360,000, in the corresponding period a year previously, representing an increase of $3,658,000.—Reuter.

LONDON STOCKS

Monday's Closing Quotations

By Courtesy Swan, Culbertson & Fritz and Benjamin & Potts through Reuter

	Mar. 12	15
War Loan 3½% (Red.)	£101⅞	101⅝
JAPANESE BONDS		
Japan 5% Stg. Loan, 1907	78XD	77¾
Japan 6% Stg. Loan, 1924	87	87
COMMERCIAL AND INDUSTRIAL		
Allied Ironfonders	30/6	30/6
Armstrong, Stevens	11/3	11/6
Assoc. & Elec. Indus.	52/3	52/3
Austin Motors, ord.	47/-	45/-
Brist.ol Aeroplane, ord.	55/10½	55/-
British-American Tob.	110/4½	120/-
Cable & W. 7½% N-C	£29⅞	£30
Cammell Laird, ord.	15/-	15/-
Courtaulds	52/6	52/6
Distillers	112/6	113/-
Dunlop Rubber	33/3	33/3
General Elec. (Eng.)	88/6	88/6
Guinness (A) Son & Co.	137/-	130/-
Hawker Siddeley Aircraft	33/6	33/6
Imp. Chem. Indus.	40/-	40/-
Imp. Tobacco	147/6	148/1½
Leyland Motors	103/9	103/9
Marks & Spencer "A" ord.	78/9	77/6
O.K. Bazaars	49/6	51/1½
Pressed Steel, com.	31/3	31/1½
Rolls-Royce	130/-	130/7½
Smethwick Drop Forgings	24/6	24/9
Tate & Lyle	85/-	84/3
Turner & Newall	104/6	104/6
United Steel	31/-	31/-
Vickers, ord.	34/3	33/1½
Woolworths	78/9	78/9
MISCELLANEOUS		
Anglo Dutch	49/6	49/6
Rubber Pltn. Invests.	47/4½	47/4½
MINES		
Burma Corp.	22/-	22/-
Commonwealth Min.	5/9	5/9
Exploration Co.	10/-	9/-
Marsman Invests.	28/6	28/6
Randfontein Ests.	61/9	61/9
Sub-Nigel	235/-	235/-
Tanami Gold Min.	1/1½	1/1½
OILS		
Anglo Iranian	125/7½	125/7½
Burmah	116/10½	115/7½
Mexican Eagle	23/9	23/3
Shell Trans. & Trad.	138/9	138/1½

Benjamin & Potts, S. E. Levy & Co. Swan, Culbertson & Fritz and White, White & Co. through Reuter

CHINESE EXTERNAL LOANS, ETC.	Mar. 12	15
4½% Gold Loan of 1898	£102½	102½
4½% Anglo-French Loan	100½	100½
5% Crisp Loan 1912	94	93
5% Reorg. Loan, 1913	96¾	96½
5% Gold Bonds, 1925-47	101¾	101⅝
5% S'hai-Nanking Rly.	90	89
5% T'tsin-Pukow Rly. B.	70½	71
5% " " G. 70	70	69½
5% " " (Supl. Loan) B. 70	70	70
5% " " (Supl.-Loan) G. 70	69½	69½
5% Honan Rly., 1905	87¾	87½
5% Hukuang Rly., 1911	70½	70
5% Lung Tsing U. H. Rly.	41¾	41⅝
5% Canton-Kowloon Rly	58	57
6% Sterling Notes, 1925	39	38½
Union Ins. Soc. of Canton	37¾	37¾
S'hai Waterwork "A"	37½	37½
S'hai Elec. Construction	47	46/-
Chinese Eng. & Min.	20/6	21/-
H. & S Bank (Ldn. Reg.)	116	115½
Chartd. Bank of I. A. & C.	15¾	15⅞
Chosen Corp.	12/6	12/3
Pekin Syndicate	9/-	9/3
Gula Kalumpong Rubber	65/-	63/9XD

XD—Ex Dividend

FUKIEN SALT REVENUE SHOWS BIG RISE

Foochow, Mar. 12.

Marked increase in Fukien's salt revenue was noted for the 25th fiscal year, the figure for which exceeded that for the previous year by $1,000,000 and that of the 23rd fiscal year by $2,600,000.

As a result of the establishment of an anti-smuggling bureau in Foochow, illicit trade in salt has shown signs of decline in the province.—Central News.

JAPAN SENDS GOLD TO AMERICA

Tokyo, Mar. 10.

Yesterday's shipment of 5,000,000 grammes of gold to New York, has reduced the gold reserves of the Bank of Japan to about Y.550,500,000.

This amount, however, does not show the present value of Japan's stocks of the precious metal, since it is estimated at Y.5 a momme, as contrasted with the current market quotation of L.13.12.5.

Yesterday's shipment, valued at Y.18,000,000, was the first of three shipments, totalling Y.50,000,000, whose dispatch abroad was decided by the Japanese Government on March 4.—Domei.

JAPANESE INDUSTRY IN SOUTH SEAS

Tokyo, Mar. 13.

Foreshadowing an expansion of its activities in the South Seas and on the mainland, the Oriental Development Company to-day concluded negotiations for the flotation of a Y.20,000,000 bond issue.

The concern is engaged in the investment business in Manchoukuo, Korea and the South Seas Islands and also aids Japanese migration to the new state.

The underwriting interests include the Mitsui, Mitsubishi, Sumitomo, Yasuda and Nomura, vast concerns, the Yokohama Specie Bank, the Sanwa Bank, the Japan Industrial Bank, the Dai-Ichi Bank and the Bank of Chosen.

The bonds will bear a 4.1 per cent. interest and will be redeemed in eight years.—Domei.

CHUNG FU COAL SALES

Sales of coal by the Chung Fu Joint Mining Administration operating the mines of the Chung Yuan Co. and the Pekin Syndicate, Limited for the month of February, 1937, amounted to 88,336 tons.

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CHINA DEFINITELY ON WAY TO RECOVERY

Joint Reserve Board Reports Upward Trend of Business: Banks Consolidate Strength: Annual Meeting

DEFINITE signs of recovery in economic conditions in China and the maintenance of the stability of national currency in spite of political uncertainties and uneasiness were emphasized in the report of the Joint Reserve Board of the Shanghai Bankers Association and of its Bankers Acceptance House for the year ended December 31, 1936, delivered by Mr. Percy Chu, Manager, at the annual meeting held at the Shanghai Bankers Association Building, 59 Hongkong Road on March 10 at which Mr. Li Ming, Chairman, presided.

Mr. Chu reported that the heavy increase in the volume of bank clearings provided convincing evidence of the upward trend of business, and member banks, following a policy of cautious conservatism, made remarkable progress during the year consolidating their strength and increasing the liquidity of reserves.

He further reported with satisfaction that all measures undertaken by the Board since its inauguration five years ago, which included the introduction of a Joint Reserve System and subsequently the establishment of a Clearing House had been completely and effectively put into operation with the co-operation of member banks. At the conclusion of the meeting, the following were re-elected members of the Executive Committee for the year 1937—38: Mr. Li Ming, Chairman; Mr. Tsu-yee Pei, Mr. S. M. Tong, Mr Y. M. Chien and Mr. C. M. Shu, Members of Standing Committee; Mr. K. P. Chen, Mr. F. S. Yih, Mr. C. C. Woo, Mr. Y. Y. Hou, Mr. S. H. Wang and Mr. Pah-yuen Wong.

The report of the Joint Reserve Board reads: Looking over the events of the past year, it can be said with every justification that definite signs of recovery in economic conditions began to show themselves. Political complications, such as arose in connection with Sino-Japanese relations and the Sian crisis, while tending to affect financial and commercial activities, produced scarcely a ripple upon the surface of the Shanghai money market, thanks in part to the currency reform measures of November, 1935, which disposed of all fear of any scarcity of currency. Had a situation with the same political uncertainties and uneasiness arisen prior to the adoption of the New Monetary Policy, conditions might have been very much worse.

In spite of the fact that exchange rates and gold bar quotations slightly advanced on several occasions, accompanied by a revival of rumours regarding the flight of capital, the stability of national currency was remarkably well maintained, thanks to adequate measures taken by the Government banks. Other signs of better economic conditions, as revealed in published statistics and business reports, include increase of crop productions, gradual rise of prices, revival of industrial activity, and reduction of the adverse trade balance. Although no specially favourable repercussions have been witnessed in the Shanghai money market, owing largely to the continued stagnant condition of real estate business, it can be said with confidence that the year under review showed a definite upward turn in most lines of local business activity. The heavy increase in the volume of bank clearings provided convincing evidence of the upward trend of business. Under these conditions member-banks, pursuing a policy of cautious conservatism, made remarkable progress during the year in consolidating their strength and increasing the liquidity of their resources.

In an effort of promote the discounting of bills of exchange among banks, thereby liquefying the banking and credit structure, the Board inaugurated at the beginning of the year a Bankers' Acceptance House to handle the acceptance of bankers' bills. It is gratifying to record that all the measures undertaken by the Board since its inauguration five years ago, such as the introduction of the Joint Reserve System and the establishment (and subsequent expansion) of the Clearing House, have been completely and effectively put into operation with the earnest co-operation of member-banks and in accordance with their needs and requirements. It is hoped that the Board will continue to receive close co-operation and helpful guidance from member-banks, and thus enable the Boad to render more efficient service in the common interests of the banking community.

The following is a brief review of the work of the Board during the year, excluding the activities of the Bankers' Acceptance House, regarding which a separate report is submitted in accordance with the provisions of its Regulations:—

Operation of Joint Reserve System

1. Reserve Properties.—The total reserve properties deposited with the Board by member-banks amounted to $60,013,938.90 on December 31, 1936, a decrease of $2,668,778.16 compared with the total at the end of 1935. This slight shrinkage was due to the fact that, in view of the depreciation in the market-value of real estate, the Appraisement Committee of the Board reduced their valuations for real estate deposited as reserve properties during the year. It is, therefore, to be noted that though the aggregate amount of reserve properties in deposit now stands at a slightly lower figure, that valuation may be taken as strictly accurate. The total certificates issued against properties deposited as security, as at June 30, 1936, represented 59.98 per cent. of the appraised value of the securities, and at December 31, 1936, represented 60.91 per cent. Classification of reserve securities at the close of the year showed that 83 per cent. consisted of real estate, 11.75 per cent. of foreign bonds and stocks, 5 per cent. of Government domestic bonds, and 0.25 per cent. of cash.

Joint Reserve Notes and Call Loans

Joint Reserve Notes have been mostly used as security for call loans, both in cash dollars and transfer dollars. The aggregate amount of call loans for the first half of the year was $44,540,000, an increase of $24,260,000, and for the second half was $56,670,000, a decrease of $51,360,000, compared with the corresponding periods of the previous year. The factors responsible for the decline in call loans during the second half of the year include first, the substitution of discounted bankers' acceptances for call loans on the part of member-banks after the inauguration of the Bankers' Acceptance House, and second, the easier money conditions effected by currency reform. Call loan rates during the year remained firm at 10 cents per $1,000 per day, while the rate of native interest stood at about 8 cents, indicating the steadiness of the money market.

Discounting of Bankers' Acceptances

Holders of bills taken up by the Bankers' Acceptance House may request member-banks or the Board to discount such bills, thereby increasing the liquidity of banking assets. During the year under review the bills thus discounted by the Board amounted to $4,660,000. The value of discount bills outstanding at the end of the year was $2,530,000. The average discount-rate for bankers' acceptance, taking the 90 days bills as standard, was $0.119 per $1,000 per day.

Deposits of Clearing Banks

The daily average of current deposits of clearing members was $95,924,000, an increase of $11,790,000 over the amount for 1935. Total deposits at the close of the year amounted to $98,845,000, of which 39.68 per cent. was in dollar account and 60.32 per cent. in transfer dollar account. The proportion of clearing deposits to clearings showed a ratio of 1 to 16.

Profit and Loss

The total income from interest received on loans and discounts amounted to $246,208.13. According to the budget of the Joint Reserve Section, expenditure for the year was estimated at $24,720, whereas the Statement showed an actual expenditure of $25,674.62, an excess of $954.62 over the figure budgeted. After making full provision for expenses and depreciation, the net profits for the year amounted to $212,515.75.

OPERATION OF CLEARING HOUSE

Clearing Members.—In view of the fact that space on the clearing floor was fully occupied, leaving no room for banks applying for membership during the year, the Executive Committee of the Board adopted a resolution to the effect that members of the Shanghai Bankers' Association, debarred from admission as clearing members on account of limited space in the clearing room, be admitted as affiliated members clearing through the agency of the Board, which is itself a member of the Clearing House. In January, the Chekiang Provincial Bank, the Mei Feng Bank of Szechuen, the Kiangsu Farmers' Bank, the Agricultural Bank of China, the Yeong Dah Bank, and the Poo Tung Commercial and Savings Bank were admitted as affiliated members clearing through the agency of the Board. On January 26 the Central Bank of China joined the Clearing House as a clearing member, acting at the same time as one of the depository banks of the Board, together with the Bank of China and the Bank of Communications. On the same date a joint office was established by these three Banks in the Shanghai Bankers' Association Building, where the Board is located. On September 1 the Cultivation Bank of Chuenkong and the Bank of Agriculture and Commerce were admitted as affiliated members, clearing through the agency of the Board. On November 2 the Kiangsu-Chekiang Commercial and Savings Bank was amalgamated with the Chung Wai Bank, the clearing house number of the former being cancelled. On December 1 the Agricultural Bank of China changed from an affiliated to a clearing member, taking the seat vacated by the Kiangsu-Chekiang Commercial and Savings Bank. In addition to the above, thirteen branches of clearing members were added to the clearing through their respective head-offices.

Clearing Figures

During the year under review a total of 2,578,913 items were passed through the Clearing House, to the total value of $5,984,308,071.10. Compared with the totals for 1935, there was an increase of 61.05 per cent. in value and of 38.71 per cent. in the number of items. The participation of the Central Bank of China in the clearing, and the expansion of affiliated members clearing through the agency of the Board, chiefly accounts for the heavy increase in volume of clearing for 1936. The daily total for the year averaged 8,683 items, to the value of $20,149,000. The highest total clearing for one day was recorded on January 31, the figure being $195,252,052.31, while the largest number of items handled in one day was recorded on April 14, the figure being 24,261. Both these records for the year are the highest totals recorded on any one day since the inauguration of the Clearing House. In regard to months, the daily average clearing for May was about $16,000,000, for March and August over $17,000,000, for February, April, July, and September, over $18,000,000, and for January and November, slightly above $22,000,000; October and December gave the highest returns with a daily average of $24,000,000. The relation of balance of clearings to total clearings for the year was 11.67 per cent., which is 1.69 less than the percentage for 1935.

City Collection

The City Collection Department was organized on June 13, 1935. After several months of experiment and training, the procedure of collection adopted at the beginning of the year was much improved and the efficiency of the service greatly increased. During the year under review a total of 1,242,703 items were passed through this Department, to the value of $1,455,457,124.06. The daily total averaged 3,511 items, to the value of $4,111,000. The highest daily total for collections was recorded on December 31, $14,169,836.73, and the largest number of items handled in one day was 10,880, on October 1, both figures being records to date. Of the total amount collected during the year, 57.68 per cent. consisted of cheques and drafts on clearing native banks, 23.56 per cent. representing cheques and drafts on non-clearing native banks and modern-type banks, and 18.76 per cent. represented cheques and drafts on individuals, firms, or corporations other than banks.

Return Items

The total number of return items for the year was 90,792, giving a daily average of 306, which was about 3.54 per cent. of all items cleared, a decrease of 1.21 per cent., as compared with the previous year.

Expenses

The expenses of the Clearing House for the year were budgeted at $119,280, and the amount actually expended at December 31, 1936 totalled $122,678.88, which was $3,398.88 in excess of the budget. Of this total amount $53,709.60 was expended by the Clearing House Section. Distributed over the total value of items cleared during the year, this expenditure works out at $0.045 per $10,000 cleared, as against $0.062 the previous year, a decrease of $0.17. A total of $68,969.28 was expended by the City Collection Department which, distributed over the total value of items collected, works out at $0.174 per $10,000 collected, as against $0.442 the previous year, an increase of $0.032. It is proposed that both these items of expenditure of the Clearing House be defrayed out of the net profits of the Board.

BANKS ACCEPTANCE HOUSE REPORT

The first annual report of the Bankers' Acceptance House of the Joint Reserve Board is as follows: The system of bankers' acceptance has long been recognized as an essential part of the foundation of any money market, but modern banking in China has a comparatively short history, and this modern credit intrument of bankers' acceptance has not come into general use even in Shanghai, the financial centre of the country. Bank accommodations in Shanghai usually take the form of collateral loans against properties under mortgage. These loans are not discountable, and in times of financial strain simply become frozen book credits, thereby impairing the liquidity of banking assets. During the past few years a rapid expansion of credits was witnessed in Shanghai, with easy money market conditions, induced by the transfer of funds from the interior. Unfortunately, this happy situation was soon ended by the external drain of silver on an alarming scale in the summer of 1934. In June that year the situation in Shanghai became extremely difficult, characterized first by the freezing and later the contraction of credit, and by a sharp decline in most lines of business activity. In spite of these depressing and disturbing circumstances member-banks, steadily continuing their long-established policy of cautious conservatism, stood firm in handling the situation, and successfully tided over the many difficulties with which they were faced. At the same time, plans were under deliberation for the inauguration of a Bankers' Acceptance House under the auspices of the Board, in an effort to improve the banking and credit structure and expedite the recovery of normal market conditions. A special Committee was organized to go into the project, and after many constructive discussions preimlinary drafts of rules and regulations were made, but no definite decision for their enforcement was reached up to the end of 1935.

Establishment of House

At the beginning of the year now under review member-banks, in view of the continued stagnancy in market conditions and the urgent need of introducing the bankers acceptance system, renewed their discussion of the project. Ultimately a decision was reached that a Bankers' Acceptance House be established by the Board to take charge of the acceptance of bills, such paper to be confined to bills issued by member-banks as drawers. By a resolution of the 14th general meeting of representatives of member-banks, held on February 20, the draft rules and regulations of the proposed Acceptance House were unanimously passed, and a copy filed with the Shanghai Bankers Association whose approval was duly granted. Meanwhile, the Executive Committee of the Board was invested with power to formulate by-laws and acceptance agreements, provide for reserve funds, prepare office accommodation, and organize the necessary personnel of the Acceptance House. On March 16 these preparations were completed, and the House started to function with a membership of 38 Chinese modern-style banks. The reserve funds subscribed by member-banks totalled $7,623,750, of which 5 per cent. was paid in cash to the House and the remaining 95 per cent. was deposited by the House with member-banks in proportion to their respective subscriptions. According to the terms of the acceptance agreements concluded between the House and the respective member-banks, the aggregate amount of bills which the House is obliged to accept is fixed at $30,495,000. Shortly afterwards various kinds of properties and commodities were deposited with the House by member-banks as security for acceptance of bills. Early in April the House began to accept bills drawn upon it by member-banks, and these acceptances were readily discounted among banks. Throughout the three quarters of the year under review, the activities undertaken by the House were smoothly and successfully carried out, thanks to the energetic co-operation and assistance of member-banks.

One of the principal objects of establishing the House is to increase the liquidity and elasticity of bank resources, consequently every effort has been made to build up a satisfactory system of acceptance credits best suited to the needs and conditions of member-banks. This organization, though in accord with modern banking practice, is admittedly novel in China and unprecedented in Chinese business history. The scheme is still in its experimental and initial stage, and will require much time and constructive effort in order to develop into a perfect system, but will then prove of invaluable assistance to the banking community.

Acceptance Securities

The following is a brief review of the activities of the House during the past year:—

The total properties deposited with the House by member-banks as security for acceptance of bills amounted to $3,867,368 on December 31, 1936. The total amount of bills accepted against properties pledged as security represented 69.30 per cent. of the appraised value of the securities. Classification of acceptance securities at the close of the year showed that 50.01 per cent. consisted of Government bonds, stocks and debentures, 20.71 per cent. was real estate, 18.11 per cent. was made up of domestic commercial bills and promissory notes, 6.48 per cent. was Joint Reserve Notes and Certificates issued by the Board, and 4.69 per cent. consisted of native products.

Bills Accepted

During the year under review the House accepted a total of 84 bills, drawn upon it by member-banks, to the value of $4,020,000. Of this total 27 bills, to the value of $1,340,000, matured in the course of the year, while 57 bills, to the value of $2,680,000, remained outstanding at the close of the period. The greater number of bills accepted had a maturity of 90 days. In every case the amounts of bills accepted were paid to the House one day prior to maturity, without a single renewal of matured acceptances during the year.

Discount of Bills Accepted

The bills accepted by the House are eligible for discount by any member-bank, and in case of necessity the Board may be requested to discount bills. During the year under review, the aggregate amount of discount of acceptances was $6,710,000, of which $4,660,000 was discounted by the Board, and $2,050,000 by member-banks. The discount rates of acceptances for the year, with a 90 day acceptance as standard, averaged $0.119 per $1,000 per day.

Profit and Loss

From March to December the total income from acceptance charges and interest amounted to $8,327.15. According to the approved budget of the House, the expenditure for the year was estimated at $8,000, whereas the statement showed an actual expenditure of $5,007.69, which was $2,992.31 less than the approved budget. After deducting preliminary expenses, $1,908.14, there remained a net profit of $1,411.32 for the year, which it is proposed to carry forward to the credit of Surplus Fund.

CHINESE PRODUCTS FOR SOUTH SEAS

Tientsin, Mar. 8.

The Tientsin Chinese Chamber of Commerce is planning to launch a movement to promote the Chinese products in north China to the markets in the South Seas. The foreign trade committee of the chamber will soon conduct an extensive investigation in the production and distribution of such goods in North China.—Central News.

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Company Meeting

NEW ENGINEERING CO. STORMY SESSION

Mr. L. Soyka Fails with Interruptions: Directors Refuse Hearing to Questioner

"I will get redress in Court," shouted Mr. L. Soyka, shareholder, when the board of directors refused to listen to what he had to say on Mar. 12 in the course of one of the stormiest company meetings Shanghai's business world has known for many years. The occasion was the annual general meeting of the New Engineering and Shipbuilding Works, Ltd., recently amalgamated with the Shanghai Dock & Engineering Co. to form Shanghai Dockyards, Ltd. Mr. Soyka's remarks were ruled as out of order by Mr. H. E. Arnhold, chairman, who received the support of the majority of the meeting when he told Mr. Soyka to be silent. The latter, glaring at the meeting, shouted:—"This is all the office of Arnhold!"

The chairman said:—

Before addressing you in connection with the ordinary business of the meeting, I would like to make some reference to the recent advertisements which have appeared in the local Press in regard to Proxies.

Your Board was surprised on the morning of the 6th to find a notice on the front page of the "North-China Daily News" under the heading and title of this company, which was nothing more or less than an advertisement inserted by Mr. Soyka personally, who had no authority in any way to use this company's name in soliciting Proxies. Your Board took the matter up with the paper who expressed regrets at the publication of the notice in the manner in which it appeared, and they published a statement in the following day's issue in their news columns correcting the impression which had arisen in the minds of certain people that this company was responsible for the publication of the advertisement.

I would explain that it is your Board's desire to keep you as fully informed as possible in regard to the company's affairs and with this end in view we sent to each shareholder when our own accounts were published, a copy of the accounts of Shanghai Dockyards Ltd., with which company you are so closely associated.

A few days later, we also sent you all a copy of the chairman's speech at the annual general meeting of that company which was held on the 2nd inst.

"Most Offensive"

Shortly after the receipt of these documents Mr. Soyka rang me up on the telephone, as he also did the secretary, and was most offensive. He was, however, courteously informed that if he would write his questions in a manner in which they could be understood, and would submit them to the company, we would attempt to give him any information he desired. He took no further action and made no effort whatever to obtain such information as he would appear to have required and to which he might have been entitled.

If Mr. Soyka could get himself into a frame of mind to be a little more courteous and would not continuously look for trouble which does not exist, the interests of shareholders would be better served.

Mr. Soyka has in the meanwhile published in the Press a most misleading letter. Although it refers inter alia to matters outside of the business of this meeting, I will briefly refer to the letter.

An extraordinary resolution was passed at a meeting held on May 28 last, that Shanghai Dockyards Ltd., should be floated as a private company, and Mr. Soyka who was present at that meeting raised no objection to the resolution.

The reason for the flotation as a private company was that, as no agreement had been arrived at with the preference shareholders of this company, it would otherwise have been impossible to proceed with the merger.

Agreement Awaited

The two holding companies have agreed that the new company should be converted into a public company at any time that either of the two holding companies may so desire, and this will take place as soon as either an agreement is arrived at with the preference shareholders as to the distribution of the shares in Shanghai Dockyards Ltd., or as soon as there is an active share market which will permit of disposing of sufficient shares to pay off the preference shareholders, when this company can go into liquidation and the balance of its holdings in Shanghai Dockyards Ltd., distributed pro rata to the shareholders of this company.

As regards the arrears on preference dividends, these amount to Tls. 360,000 equivalent to $503,496.50 and not over $600,000 as stated by Mr. Soyka.

As regards the appointment of Mr. Burns, this is a matter which hardly comes within the scope of this meeting, but as a matter of interest I would mention that Mr. Burns was appointed chief manager of Shanghai Dockyards Ltd., on the flotation of that company.

I will now proceed with the ordinary business of this meeting. The report and accounts having been in your hands for some days, I will again with your permission take them as read.

As explained in the report, the balance sheet for this year has taken entirely different form, owing to the recent transfer of the company's undertaking to Shanghai Dockyards Ltd., which brought to a successful issue the lengthy negotiations which lasted four years, to effect the amalgamation of the two British dockyards in Shanghai.

The first annual general meeting of the new company was held on the 2nd inst, and a copy of the chairman's speech was posted to you all some few days ago, which makes it unnecessary for me to address you any further in connection with the affairs of that company.

Working Assets

All our working assets as shown in the balance sheet were transferred to the new company against an issue of 500,000 ordinary shares of $10 each which now constitutes our principal asset.

Our interest in the ss. Ivanhoe was not taken over by the new company and remains in our accounts under the headings of investment in and loan to subsidiary company. As noted on the balance sheet, the vessel has now been sold and the liquidation of our interest will be completed in the near future.

A little over a year ago, owing to the deplorable rates offered on the coast here and the fact that her former charterers were, for a time, no longer interested in retaining the vessel, we entered into a charter in the Atlantic trade at what then appeared favourable rates. Unfortunately, she experienced tempestuous weather on her first voyage which culminated in her rudder becoming disabled and for four days she was entirely out of control and in the gravest danger, but was ultimately brought safely to St. Johns, Newfoundland.

I would here mention that in response to her S.O.S. calls, a large Polish mail boat, the Pilsudski, responded and came to her aid. Being a passenger ship on schedule it was not practical to attempt a long and most difficult towing operation but her captain offered to take off the master and crew, who, however, most courageously determined to stand by the ship in the hope and belief that she could ride out the weather until the arrival of the salvage vessel, which it was learnt by wireless was on her way. The captain of the Polish vessel consequently proceeded on his course, but being greatly concerned for the safety of our crew he actually returned six hours later and urged them to abandon the ship. Captain Horneman, however, persisted in his determination to hold on and some two days later the ship was brought under control by the arrival of the salvage vessel.

Fine Seamanship

I wish here to express my highest appreciation of the splendid maintenance of sea tradition by the Polish ship and the courage and fine seamanship displayed by our captain, his officers and crew.

The casualty and subsequent repairs unfortunately resulted in Ivanhoe being off-hire for some weeks, in respect of which we lost her earnings, it being impossible to insure the freights except against total loss or at prohibitive rates.

Considerable expenditure has also been incurred in connection with the subsequent general average which has not yet been recovered but will be received in due course.

Our loan to subsidiary company consequently increased and stood, on December 31, at $445,747 or higher by some $82,000 than the corresponding figure in the accounts last year. This has to some extent been brought about by the loss of hire and expenditure in respect of repairs and general average which will be recovered.

Further considerable expenditure was incurred towards the end of last year in furnishing the vessel with bunkers, stores and provisions for her return voyage to Shanghai, where she has to be delivered to her buyers and where she arrived last Tuesday.

Loan Reduced

The freights earned on this voyage have not yet been fully collected and such amounts as were paid have come into this year's accounts. The position to-day is that the loan has been reduced. There will unfortunately be some loss when liquidation of her affairs is completed but it will be impossible to prepare accurate figures in this connection until the present voyage accounts are completed and settlement effected in respect of the general average following her casualty in the Atlantic last year.

The immediate position is that we expect to liquidate entirely within the next few days our sterling overdraft with the Hongkong Shanghai Banking Corporation and in the near future to have a substantial balance to the credit of our dollar account with our bankers.

Whilst your directors regret the loss incurred in the disposal of the Ivanhoe, I would point out that this loss is trifling as compared with the handsome returns which have accrued to this company through its association with the two Norasiatic Companies, the entire capital of that owning the Ivanhoe being the property of this Company.

Ivanhoe was purchased prior to the disastrous shipping slump. At all times your directors were confident that the time would come when an improvement would set in and the vessel would be a valuable and profitable investment. It was largely due to the repeated attacks of Mr. Soyka in connection with our association with this vessel, and the remarks he made at the annual general meeting of the company held last year that your board decided to sell her. To show you how unfortunate and detrimental Mr. Soyka's policy has acted upon your interests I would say that our former belief has been justified as since her sale we could have chartered her on the coast at a figure which would have shown a net profit of £10,000 per annum, almost sufficient to pay a full year's preference dividend.

Possible Payment

In addition to the dollar credit to which I have referred, we hope in the near future to collect the $73,944 shown in the balance sheet as due from Shanghai Dockyards Ltd. This is in respect of additional stocks taken over by that company, which by arrangement is payable on or before the end of next September, but in the meantime carries interest at the rate of 5 per cent. When received, together with the other moneys to which I have referred, it should be possible for us to consider some payment to our preference shareholders on account of arrears of dividend. This matter will receive the attention of your Board at the earliest possible moment.

I might here mention that there is also what might be described as a contingent asset belonging to us but not shown in the balance sheet. I refer to our half share of the $100,819 profits of Shanghai Dockyards Ltd. for the year ending September 30, as shown in that company's accounts which have been sent to you. This amount was carried forward by the parent company, but I hope and expect will, together with subsequent profits, be distributed between the two holding companies and so enable us in turn to make further liquidation of our preference dividend arrears.

The other small assets appearing in the balance sheet are $6,415 sundry debtors, which it is hoped in due course of time will be fully liquidated, and a small credit balance at the Hongkong Shanghai Banking Corporation on current account $1,774.

Turning to the other side of the balance sheet, you will find that after adjustment there remains on reserve account a balance of $757,398 and on dividend equalization fund $200,000 which amounts are protected by the company's holding of shares in Shanghai Dockyards which although shown in the balance sheet at par, should actually be worth considerably more, inasmuch as net assets valued at $8,800,000 were exchanged therefor.

Reserve Reduced

You will notice the reserve has been reduced by an amount of $66,381 being the debit still standing in our books in respect of the three speed boats built for the Maritime Customs some four years ago, which were rejected owing to defects in the engines. Our action against the manufacturers of the engines is still pending, but we hope to be successful in recovering a part or all of this amount. As the matter is still sub judice you will realise that I cannot make further comment in regard thereto.

Our cash position has materially improved during the year. Sterling overdraft is reduced to £13,346, equivalent to $222,825 a reduction of £3,677 or $61,390. Our dollar overdraft which a year ago stood at $70,956 has since been completely paid off, and we now have a small credit balance to which I have referred.

There remains one other item to deal with, that is the credit on profit and loss account, $153,408. This is built up from two amounts less certain deductions as shown: $128,148 from the staff provident fund liquidation and $46,206 from realisation account, which you will find published with the report which deals with the acquisition of our various assets by Shanghai Dockyards Ltd.

The transfer of our business and staff to the new company resulted in the liquidation of the staff provident fund. Owing to the careful administration thereof, it was found that when the staff had been paid there remained the handsome surplus shown which was refunded by the trustees to the company, as it was considered right and just that the benefit thereof should revert to the shareholders.

Capital Profit

The balance on realisation account is really a capital profit and as such is not, strictly speaking, available for dividend purposes until realised, although I consider our holding of shares in Shanghai Dockyards constitutes an actual realisation. I have however, already touched on our hopes of meeting to some extent our arrears of preference dividend in the near future, and if we cannot use the surplus on realisation account, we can deal with the matter out of the dividend equalisation fund and general reserve which still remain in our books.

I think what I have now said to you, in conjunction with Mr. Wilkinson's remarks at the annual general meeting of Dockyards Ltd., gives you the fullest possible information in regard to our present position, but for the benefit of certain shareholders either present or who may read my speech, I will briefly explain again exactly how you stand as shareholders, as there appears in certain quarters to be some little misunderstanding.

Your holdings in this company both ordinary and preference remain precisely the same as before the amalgamation. We have transferred our entire busines and principal assets to Shanghai Dockyards Ltd., including all the land, buildings, docks, plant, stocks, launches, etc., and in exchange received 500,000 shares in that company. If Shanghai Dockyards is successful, as we have every reason to hope and believe it will be, profits accruing to it will be distributed equally to the two vendor companies, the Shanghai Dock & Engineering Co. Ltd., and ourselves. Any moneys we so receive from this source will be dealt with in precisely the same manner as profits would have been had we continued trading on our own account. In accordance with our constitution, such moneys available for distribution must first be applied to satisfy the arrears of preference dividend and when such arrears are so satisfied the ordinary shareholders can participate. With the general improvement in our industry, I hope the time is not very far distant when we may be able to make arrangements for the complete liquidation of preference dividend arrears, which should then, if the improved conditions continue, bring about a resumption of dividends to the ordinary shareholders.

Directors' Remuneration

A resolution has been received from a large shareholder that a sum be set aside out of the merger contingency reserve in the books of Shanghai Dockyards Ltd. to be paid as special remuneration to the directors of this company in consideration of extra services rendered by them in effecting the amalgamation and that members of your board representing your interests on the board of Shanghai Dockyards Ltd. be authorised to agree to this.

Whilst it is true that members of the board have been called upon during the past four years to attend innumerable meetings far in excess of what would be expected of company directors in the ordinary course of business and that certain members of the board have undertaken special duties occupying an enormous amount of time, and in respect of which no remuneration has been paid, your directors prefer that this matter should remain in abeyance until the success of the new company, as a profit earning concern is established.

When the chairman had concluded his speech, Mr. Soyka requested the directors to take steps for the conversion of the Shanghai Dockyards, Limited, into a public company. The chairman replied that the present business before the meeting was solely concerned with the passing of the report and accounts, and Mr Soyka was out of order. Mr. Soyka then asked if he might be told what were the present managerial and secretarial fees and salaries of the new company, and was told this information was to be found in the accounts. "They are too high!" replied Mr. Soyka.

Subsidiary Company

Mr. Soyka then attempted to get some information concerning a subsidiary company, and related the story of his attempts to secure such information; money, he said, had been lent to the subsidiary company. He attempted to talk down the chairman, who finally turned to the meeting and said: "Ladies and gentlemen, do you wish to hear Mr. Soyka?"

Number of voices:—"No!"

Mr. Soyka:—"We will go into Court! That is your whole office there!"

Chairman:—"I propose that Mr. Soyka does not waste the time of the company."

Mr. G. E. Marden:—"I second that." Put to the meeting, the resolution was carried.

Mr. D. M. Gubbay said he thought the meeting was rather hard on Mr. Soyka, who was only trying to get a little information. He thought it unfair that the chairman, in his address, should try to lay the blame for the premature sale of the ss. Ivanhoe on Mr. Soyka. It was only due to improved shipping conditions that they could say that if they had kept the ship they would have made a handsome profit; the ship had been sold because it was not thought that shipping would improve so rapidly. The chairman remarked that it was not his intention that they should think he meant that the blame was entirely Mr. Soyka's

Mr. Soyka, after some further questions, said:—"Mr. Chairman, you are Goliath but I am not David! I want only my rights. I don't want anything unjust, I want to get some information. I didn't come here to fight you, I want to hear about the accounts and you cannot stop me!"

Mr. Soyka's attempt to put further questions to the board of directors were swept aside by the chairman, who put the four resolutions to the meeting, which passed them. The meeting then came to an end, with Mr. Sokyo still on his feet and protesting:—"You needn't answer my questions! But I will get redress and I will force you to answer! You cannot stop me later!"

Resolutions

The following resolutions were passed:—

Proposed by Mr. H. E. Arnhold, and seconded by Mr. Ellis Hayim, that the report and accounts for the year ending December 31, 1936, as presented be passed.

Proposed by Mr. F. W. Rowland and seconded by Mr. C. J. Meager, that Mr. N. H. Lacey's appointment to the board vice Mr. J. F. Cannan be confirmed.

Proposed by Mr. Ellis Hayim and seconded by Mr. C. J. Meager, that Mr. G. E. Marden be re-elected a director of the company.

Proposed by Mr. F. W. Rowland and seconded by Mr. F. R. Davey, that Messrs. Thomson & Co., chartered accountants, be re-elected auditors of the company at a fee of $250 per annum.

SHANGHAI WATERWORKS FITTINGS CO.

The annual meeting of the Shanghai Waterworks Fittings Co., Ltd., was held on March 10 at the offices of the Shanghai Waterworks Co., Ltd., with Mr. H. Martin Little in the chair.

The chairman said:—

The result of the year's working is disappointing showing, as it does, a loss of $68,532.13, which, after taking into account the various profit and loss account items, gives a net loss for the year of $47,800.20. From this figure, there is to be deducted the sum of $24,172.52, being balance of profit brought forward from the previous year, leaving a net loss on profit and loss account of $23,627.68. This amount we recommend be carried forward to new account.

In addressing you last year, I concluded by saying that we looked forward with confidence to maintaining our position. I regret that our expectations have not been realized; I did, however, point out that the volume of work had fallen considerably and that a large proportion of your company's business being derived from contract work, that side of the business was entirely dependent on real estate and industrial development. But we certainly did not anticipate so severe a restriction of the volume of work as to result in such a comparatively large loss on working account. Overheads have been reduced and every effort is being made still further to reduce them during the current year. As is stated on the face of the balance sheet, the dividend for 1935 declared by the subsidiary company, the China Brass & Iron Works, Ltd., has been included in the accounts, but the loss made by that company for the year 1936 has not been taken into account. I am pleased to say that, although a loss was made for the year 1936, the amount of such loss carried forward is not of material proportions.

No Call For Despondency

From the balance sheet, you will see that we have reserve fund of $130,000 built up from profits in former years which is available in circumstances like the present. While we are not prepared to recommend any allocation from this reserve for dividend purposes until we can see the future more clearly, the loss of $23,627.68 carried forward this year will be written off against reserves in next year's accounts if the position then warrants it, and the accounts for 1937 freed of this handicap.

It is the policy of your company to place quality of materials and

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workmanship, with adequate supervision, first; consequently, we are not prepared to seek contracts at prices which would demand a sacrifice of quality, and in many cases in order to obtain contracts in the face of the severe competition for the small amount of work offering, to maintain this policy we have had to content ourselves with only meagre profits.

Prospects appear to be improving and we have already on our books contracts valued at about twice the amount booked during the whole of 1936. Hence, while there is no reason at present for undue optimism, neither is there any call for despondency, as can be seen from the figures I have just quoted.

I trust that, when the chairman next addresses you, the indications of improved business will have been translated into an improved showing in the accounts of the company.

The report and accounts having formally been proposed by the chairman, and seconded by Mr. C. F. Shackleton, the following resolutions were put to the meeting and carried unanimously:—

That the directors' report and accounts for the year 1936, as submitted to this meeting, be and they are hereby received and adopted and that the balance at debit of profit and loss account on December 31, 1936, be disposed of as recommended by the directors.—Proposed by Mr. H. Martin Little and seconded by Mr. C. F. Shackleton.

That Mr. C. F. Shackleton be and he is hereby re-elected a director of the company.—Proposed by Mr. R. E. Stewardson and seconded by Mr. H. Martin Little.

That Messrs. Lowe, Bingham and Matthews be and they are hereby re-appointed auditors of the company until the next ordinary meeting and that their remuneration be $1,500.—Proposed by Mr. R. E. Stewardson and seconded by Mr. W. P. Rial.

SHANGHAI DOCK & ENGINEERING CO.

An opinion that the great demand for ships all over the world would reflect favourably on Shanghai was expressed by Mr. H. V. Wilkinson, chairman, at the annual general meeting of the Shanghai Dock & Engineering Co., Ltd., held on March 12 in the board room of Jardine, Matheson & Co., 27 The Bund. Shares present or represented totalled 3,788.

The chairman said:—

With your approval I propose to take the directors' report as having been read; we meet to-day under changed conditions to our previous annual meetings—we are now joint holders of half of the stock of Shanghai Dockyards, Ltd., and in addition owners of the Cosmopolitan Dock property and the Old Dock property. The copy of the directors' report and chairman's speech of the Shanghai Dockyards forwarded to you with our balance sheet showed the progress and position of the new company at the end of its first financial year.

Turning to our own balance sheet which has been reduced to 8 months working results, to December 31, 1936, as the financial year of Shanghai Dockyards, Ltd., ends on September 30, we have given the valuation of our assets careful consideration and used a part of our special reserves to write down various items to very low figures. Our Old Dock property consists of about 20 mow assessed by the S.M.C. at $1,440,000, and the area of our Cosmopolitan Dock property is about 200 mow, with a very deep water river frontage of 2,400 feet and the ground surface raised about 8 feet above high water level.

Docks, wharves, bundings and walls includes substantial walls round our properties, also wharves and bundings; these we have written down to $52,100 and have not assumed any value for our Cosmopolitan Dock or Old Dock. The buildings include those at the Old Dock, the village of 90 houses for Chinese workmen and the offices and dwelling house at the Cosmopolitan Dock. Plant and machinery have been written down to a nominal figure of $7,000. Our other assets include $5,000,000 shares in Shanghai Dockyards Ltd., while the Balance Sheet shows cash at $12,426.47. Debtor accounts are being liquidated slowly, and our balance at the bank to-day in current account amounts to $78,075.15.

First Debit Balance

The realisation account shows our book values compared with the amalgamation valuations and the Profit and Loss Account summarises the results of the 8 months working, which shows a debit of $4,468.60, the first debit balance ever produced by the Shanghai Dock & Engineering Company during its 31 years of existence, and needless to say we regret even this small debit amount; at the same time we feel we are now getting over the serious depression of the past few years and look forward to better results for the current year.

Our income now depends on the half share of the earnings of the Shanghai Dockyards and realisation or lease of our properties; owing to the local depression existing during the past year we have not been able to realise or let any of our properties, but with the present improvements in trading conditions and improved confidence by investors we hope to be able to make progress in the near future with the sale or lease of some of our properties—the Old Dock property with its road frontage of about 360 feet on Broadway, 450 feet on Keecheong Road and deep water river frontage is a most attractive investment and one of the few valuable properties available near the centre of the Settlement; our Cosmopolitan property on the Pootung side of the river is ideal and unequalled for deep water wharves and godowns or large factories.

The amalgamation with the New Engineering Works is now completed, and the new company settled down to satisfactory working conditions with prospects in the shipbuilding, engineering and drydocking business much improved, and I am of opinion that the great demand for ships all over the world is bound to reflect favourably on Shanghai.

Amalgamation Expenses

The amalgamation expenses have all been taken from Capital Reserve of Shanghai Dockyards, Ltd., and do not include any special remuneration to the Directors: I may mention that a shareholder proposed submitting a resolution to this meeting that the company's nominees on the board of the Shanghai Dockyards be authorised to vote an amount from the Contingency Reserve of that Company.... "as a special remuneration to the directors of this company in recognition of the special services rendered by them during the past four years in connection with and for the amalgamation."

Whilst, taking an impartial view, the considerable extra work for the amalgamation might be justly considered as being beyond the scope of ordinary directors' activity, justifying a special compensation, the directors, however, thanking the proposer and seconder, feel that the immediate results of the merger do not yet justify any sum being granted now. Should it be possible to show you more favourable results at a future date, the question could be reconsidered.

Future dividends will depend upon the amount we receive from Shanghai Dockyards, Ltd., plus the liquidation of sundry debts and returns from the sale or lease of our properties, and when it is possible to sell these properties a substantial sum will be available for distribution to our shareholders.

Mr. L. Soyka's request for information concerning the present managerial and secretarial fees and salaries of the Shanghai Dockyards was refused by the chairman on the grounds that the company was a private one, and that therefore these accounts could not be made private. He could secure this information from the secretaries later, if he desired.

The following resolutions were passed:—

That the directors report and statement of accounts made up to December 31, 1936, as printed and circulated, be adopted and passed: Proposed by: Mr. H. V. Wilkinson; seconded by: W. S. Burns.

That the election of Dr. A. Korff and Mr. J. H. Keswick be confirmed. Proposed by Mr. W. Thompson; seconded by: T. E. Trueman.

That Messrs. W. S. Burns and A. D. company. Proposed by Mr. L. E. Hayim; seconded by C. A. Momber.

That Messrs. Lowe, Bingham & Matthews be elected auditors of the company for the current year. Proposed by Mr. C. A. Momber; seconded Mr. L. Soyka.

SUA MANGGIS RUBBER CO.

The annual meeting of the Sua Manggis Rubber Co., Ltd., was held on March 12 in the offices of the secretaries, Messrs. J. A. Wattie & Co. Mr. C. F. Shackleton presided and was supported by Messrs. H. Kadoorie and J. E. Badeley (directors). The number of shares represented was 30,600.

The following resolutions were carried:—

That the directors' report and statement of accounts for the year ended December 31, 1936, as presented, be adopted and passed. Proposed by Mr. C. F. Shackleton and seconded by Mr. H. Kadoorie.

That a final dividend of four dollar cents a share, making nine cents a share for the year, be paid. Proposed by Mr. C. F. Shackleton and seconded by Mr. H. Kadoorie.

That the appointment of Mr. C. F. Shackleton as a director of the company be confirmed. Proposed by Mr. D. E. Levy and seconded by Mr. H. Kadoorie.

(c) That the appointment of Mr. J. E. Badeley as a director of the company be confirmed. Proposed by Mr. A. J. Welch and seconded by Mr. L. E. Canning.

That Mr. Horace Kadoorie be re-elected a director of the company. Proposed by Mr. C. F. Shackleton and seconded by Mr. D. E. Levy.

That Messrs. Mortimer Reid & Slee be re-elected auditors to the company. Proposed by Mr. A. J. Welch and seconded by Mr. L. E. Canning.

KAPAYANG RUBBER EST.

The annual meeting of the Kapayang Rubber Estates Co., Ltd., was held on March 12 at the offices of the secretaries, Messrs. J. A. Wattie & Co. Mr. C. F. Shackleton, supported by Messrs. L. E. Canning, H. Kadoorie and A. Gray (directors) and A. J. Welch (for the secretaries), presided and there were represented 5,025 shares.

The following resolutions were passed:—

That the directors' report and statement of accounts for the year ended December 31, 1936, as presented, be adopted and passed. Proposed by Mr. C. F. Shackleton and seconded by Mr. H. Kadoorie.

That a final dividend of 80 dollar cents a share, making $1.80 a share for the year, be paid. Proposed by Mr. C. F. Shackleton and seconded by Mr. H. Kadoorie.

That the appointment of Mr. C. F. Shackleton as a director of the company be confirmed. Proposed by Mr. A. J. Welch and seconded by Mr. A. Gray.

That Mr. A. Gray be re-elected a director of the company. Proposed by Mr. A. J. Welch and seconded by Mr. L. E. Canning.

That Messrs. Mortimer Reid & Slee be re-elected auditors to the company. Proposed by Mr. S. F. Wong and seconded by Mr. A. Gray.

COMPANY DIVIDENDS

Shanghai Tramways

At a meeting of the board of directors of the Shanghai Electric Construction Co., Ltd., held on Mar. 9, it was decided to recommend payment of a final dividend at the rate of nine per cent., making 13 per cent. for the year 1936, at the next annual general meeting of shareholders to be held in Shanghai on April 14.

Mercantile Bank of India

The Mercantile Bank of India has received the following message from its London office:—"1936 Account. Final dividend recommended less income tax of 6 per cent, making 12 per cent for the year. Amount carried forward £172,000. Written off landed and house property account £20,000. Transferred to contingencies account £25,000."

Union Insurance Society of Canton

A telegram has been received from the head office of the Union Insurance Society of Canton announcing that the directors have declared a final dividend of fifteen shillings a share on account of 1936, payable after the annual general meeting which will be held on April 16.

Java Consolidated Estates

At a meeting of the board of directors of the Java Consolidated Rubber and Coffee Estates, Ltd., on Mar. 12, it was decided to recommend to Shareholders at the forthcoming annual general meeting, which is called for March 23, 1937, that a dividend of ten Chinese dollar cents a share be paid for the year ended December 31, 1936.

Bute Plantations (1913) Ltd.

At a meeting of directors held on Mar. 13, it was decided to recommend the following appropriation at the forthcoming annual general meeting of the company to be held on Friday, April 2, 1937:—

To Pay Final Dividend of 10 cents per share	$35,369.80
To Place to Replanting and Cultivation Reserve	25,000.00
To Write off Building	5,323.67
To Write off Plant and Machinery	2,000.00
To Write off Rubber Factory and Stores	6,549.76
To Write off Live Stock and Carts	452.17
To Carry forward	4,205.09
	$78,900.49

THE RUBBER TRUST

At a meeting of the board of directors of The Rubber Trust, Ltd., held on March 12, arrangements were concluded for the purchase of a rubber estate in Lower Burmah and, as a consequence, new capital will be required.

SUPPORT FOR RICE COMPANY

Wuhu, Mar. 11.

With the dull and inactive winter season over, the banking and commercial circles in Anwhei are busily making plans for larger investments in various industrial projects for the current year, according to information from trade circles.

Private and official quarters in the province, it is learned, will invest $500,000 in the projected South China Rice Co., which is being organized in Shanghai under the sponsorship of Mr. T. V. Soong. The investment, it is stated, calls for the establishment of a rice hulling and cleaning mill in Wuhu with a production capacity of 2,000,000 piculs a year.

Another project provides for the establishment of a joint sales office in Shanghai by the Bank of Anhwei and local banks in Chekiang, Kiangsi and Kiangsu with an initiation fund of $100,000 for the purpose of boosting the sales of local products of these provinces.

Plans for the development of the tea industry in Anhwei and Kiangsi have been made by local banks, which call for the extension of $2,500,000 credit loans to tea growers of the two provinces.

Of the pledged amount the Bank of Communications will bear $1,000,000 and the Bank of Anhwei and the Yu Ming Bank of Kiangsi, $300,000 each. —Central News.

LETTERS TO THE EDITOR

OXFORD UNIVERSITY

Vice-Chancellor's Appeal

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—We are asking for your co-operation in bringing to the notice of old students of Oxford and others, who have the interests of education and research throughout the Empire at heart, details of the appeal which has just been launched. Full details of this appeal will be found in the enclosed booklet, to which we should be most grateful if you could give publicity.

In extending our appeal to the Empire we are fully aware of the demands made upon the generosity of the public by local centres of learning. We feel, however, that there are many people who recognise the part that Oxford has played and will continue to play in the development of our Empire and would not wish to be debarred from an opportunity of subscribing to this cause.

A. D. LINDSAY,
Vice-Chancellor

Balliol College,
Oxford, Jan. 26.

***Extracts from the Booklet follow:—

Oxford University has been overtaken by the needs of the twentieth century. Oxford has been traditionally a university of undergraduates and a federation of colleges whose special pride has been the tutorial system, which has abundantly proved itself in the past and has recently been taken as a model by the great American universities of Harvard and Yale. But while nothing will be done to impair this system, Oxford will sacrifice the teachers to the taught unless it can relieve the former of some of their burdens and give them time and facilities for research. Modern conditions have revolutionized the needs of universities, and to meet the new conditions ancient endowments are hopelessly inadequate. Oxford has always believed that a university can succeed in teaching the truth only in so far it can succeed in discovering it. A system of teaching which is not directly connected with the wellsprings of knowledge is doomed to stagnation.

* * *

The task of a university in respect of research is twofold. It has to give the student access to knowledge in the widest variety. It has also to ensure close and continuous contact between the various fields of learning in order to protect its students against the narrowness of vision and lack of balance which specialization may so easily induce. By the organization of its studies and by the standards which it upholds it has, in fact, to maintain the discipline of truth itself. As the Vice-Chancellor said recently, higher study and research in a university rest ultimately upon a spiritual foundation: the conviction in the minds of researchers, of teachers and students, that knowledge has its own standard of integrity and dispassionate inquiry. The present age demands the skilled study of an unprecedented range of human and scientific problems. Moreover, under the pressure of competing doctrines, of the expert appeal to mass-emotions, and of propaganda ruthlessly employed, it is, now if ever, a paramount condition that research shall be free, fearless, and disinterested. The vitality and independence of the universities is a standing guarantee against the contamination or perversion of knowledge at its source.

* * *

There are special reasons why Oxford of all universities should be adequately equipped for research. Oxford undergraduates are almost entirely occupied with advanced studies of one kind or another. Since the War the average number of undergraduates taking the Final Honour Schools annually has increased from 704 to 1,234. The passman has almost disappeared. Since 1931 there has been a steady increase in the number of research students, which has grown from 240 to 412 per annum. The far-sighted endowments of Cecil Rhodes have brought to Oxford men from all parts of the Empire and the United States of America who are already graduates of their own universities, and the number of graduates from other universities, besides the Rhodes Scholars, has been steadily increasing. This change alone in the nature of the undergraduate body imposes on the University the duty of seeing that its resources are adequate to meet the new demands. At present they are quite inadequate.

Oxford's most pressing needs in research may be summarized roughly as follows:—

In the Humane Studies:

(a) Extension of the Bodleian Library and a fund for maintenance.

(b) Extension of the Ashmolean Museum and a fund for Archaeological Research.

(c) Provision for the study of Human Society, Social Studies and allied subjects, such as Anthropology.

(d) A general fund for the better organization and extension of research in the Arts subjects, including the provision of research posts.

In Natural Science:

(a) New Laboratories for Physics, Physical Chemistry, and Geology.

(b) Extension of existing laboratories.

(c) Funds for the staffing, maintenance, and equipment of these laboratories.

(d) A general fund for improving the facilities for research in the various science departments, including the provision of research posts and financial support for new developments.

* * *

To meet all the above requirements a very large sum is needed. It is certain that £500,000 is required for two main purposes alone, namely £250,000 for the Bodleian and £250,000 for immediate expenditure on other buildings. This leaves no provision available for the various funds and research projects enumerated above, and the extent to which they can be endowed will depend on the generosity and the individual interests of benefactors. The total sum required is very large, but the opportunity is great.

The University's annual expenditure in 1935 was £256,000, of which not far from half, namely £106,000, went in payment of stipends of Professors, Lecturers and other University officers, £63,000 to the maintenance of scientific and other institutions, and £44,000 to other internal expenditure such as rates, taxes, pensions, etc. Against this the University's net revenue from its own capital assets, i.e., Land and Investments, amounted to only £19,000, i.e., much less than one-tenth of its expenditure. For the rest it must rely on fees from members of the University to the extent of £78,000, contributions from the Colleges of something over £60,000, and a Government grant of £93,500, now raised to £100,000.

The poverty of the University in income-producing assets is manifest. It is in no position to meet exceptional demands, least of all demands requiring large capital expenditure and the annual charges which such expenditure entails. From its present resources it can maintain its standard in the teaching of undergraduates. But without fresh endowment it cannot hope to meet the large new needs now pressing upon it.

Lord Nuffield has most generously given £100,000 to start the Appeal fund. For the balance the University is making a public appeal to friends of Oxford in this country as well as in the Dominions and the United States of America. This appeal cannot be successful unless those who command great wealth are correspondingly generous in their gifts. Oxford, it is true, is making, as is right and proper, a special demand on all Oxford men by means of a widespread organization throughout the country. But while they will no doubt contribute generously, much help from outside is required and may reasonably be expected: for the services of Oxford are not only to its graduates but to the country at large. The nation will suffer if anything impairs the University's work of progressive thought and scientific discovery, or diminishes the efficiency of the education given to those whom it sends out into the Professions, into the Services, into Industry and Commerce. Oxford has relied recently for the great capital project of the Bodleian Library on American generosity. It cannot be doubted that the individual British benefactor will now do his part on behalf of so great a national interest.

* * *

There is no way in which the benefactor can be more certain that his benefaction will bear fruit one hundredfold than by generosity to a great University. Five centuries ago William of Wykeham, Archbishop Chichele and others endowed their new colleges with money and landed estates. Through all the intervening centuries, and now as strongly as ever, their generosity continues to bear fruit. But as the above notes show, there is still ample opportunity for great benefactors to link their names permanently with the further development of Oxford.

HALIFAX, *Chancellor*,
A. D. LINDSAY, *Vice-Chancellor*.

Appeal Commended

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I feel sure that in commending the above appeal to the helpful consideration of your readers I am expressing the feelings of all members of the British Universities' Society of China. Every British University of necessity draws much of its inspiration from Oxford and if along the more modern lines of work and research the younger universities have given something to Oxford this is only one more link binding all together in a common purpose.

If anything could add further to Oxford's appeal it is that it is associated with the name of Lord Halifax. In another column of your paper this morning Lord Halifax gives the correct view with reference to legislation for India and his breadth of outlook is symbolical of the broadening outlook of Oxford University. But this broadening of outlook needs implementing and the development of research work is always expensive both in staff and equipment. Those of your readers, therefore, who believe in the association of the culture of the oldest university with the democratic outlook for which the British Empire stands will undoubtedly respond to this appeal to the fullest possible extent. I understand that Sir William Hornell, of Hongkong University, is in charge of the appeal for the Far East.

Heartily commending this appeal to your readers.

ALDRED F. BARKER,
President British Universities' Society of China

Shanghai, Mar. 12.

OLD SHANGHAI

Periodicals Wanted

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Would any of your readers be good enough to tell me where I can inspect copies of any periodicals of a humorous, sporting or social nature, issued in Shanghai during 1870-1914?

I have seen a copy of "The Rattle" which was issued monthly in 1896 and Volume VI of "Social Shanghai" published in 1908. In particular I am anxious to see numbers of "Puck" which was issued around 1873.

N. H.

Shanghai, Mar. 9.

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AIR MAIL DELAYS

Another Example

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Referring to the letter of PROGRESS in your Correspondence column to-day, we can add an example of airmail slowness—only more so.

A letter was addressed to us from Paris on February 8, and was forwarded to us by airmail. The follow-up letter, dated February 9, was sent through the ordinary mails. The two letters arrived at our office at the same time—Saturday, March 6, at 10.30 a.m.

LESS PROGRESS.

Shanghai, Mar. 8.

Lapse from Earlier Record

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—There has been some correspondence in connection with the European airmail service in your correspondence columns recently, and I beg to make further comment.

According to schedule, I believe, airmails sent from Shanghai on Wednesday evening should reach Hanoi on Saturday afternoon, to connect with the Hanoi-Marseilles air service, taking in all twelve days from Shanghai/Hanoi/Marseilles.

I have frequently used the airmail service to Saigon via Hanoi. Up to December last, I had nothing to complain, as letters sent me from Saigon on Wednesday evening would reach me early Monday morning, and vice versa. However, I was very surprised to be informed that an urgent airmail letter posted by myself on the afternoon of December 30, instead of reaching its destination on January 4 as usual, arrived on January 12. This envelope was returned to me by addressee, complaining of the delay, and showing me at the same time:

1. The Shanghai post office stamp-December 30, 1936.
2. The Saigon post office stamp-January 12, 1937.

If such airmails are going to take about 11 days to reach Hanoi, how is it going to reach Marseilles in 12 days, as advertised by the Post Office?

I should also be grateful to have some enlightenment on the above subject, as the airmail service is indispensable, if only dependable.

K.F.

Shanghai, Mar. 10.

Siberia Wins Again

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Your apologia this morning would be more acceptable if the Postal authorities had indicated in their advertisements that there was a very considerable element of doubt as to whether letters would reach destination on the dates stated.

My own experience has been very unsatisfactory. At least on three previous occasions letters by the China-Hanoi line have been so delayed that duplicates via Siberia have reached addresses before the airmail originals. I have just received advice of a further similar instance, but in this case the air-mail original had not been received when the duplicate via Siberia was replied to, so I do not know whether it reached destination at all.

One would not mind paying a little extra for a problematical saving of time, but when a business letter costs around two dollars, plus the normal twenty-five cents or more for the duplicate, it makes it very expensive. One wonders whether the same delays occur with "Registered" as with "Unregistered" letters—or does the extra fee ensure better treatment?

It would be interesting to know whether these delays are more frequent on any particular route—i.e., via Hanoi, Imperial Airways, or K.L.M.?

UNREGISTERED.

Shanghai, Mar. 11.

***The comment was not intended to defend the delays in question. It merely sought to point out the no doubt obvious factors which justified modified optimism in expecting the airmail, at this early stage, to outstrip the land-mail on all occasions.

Experience Outward

To the Editor of the
"NORTH-CHINA DAILY NEWS"

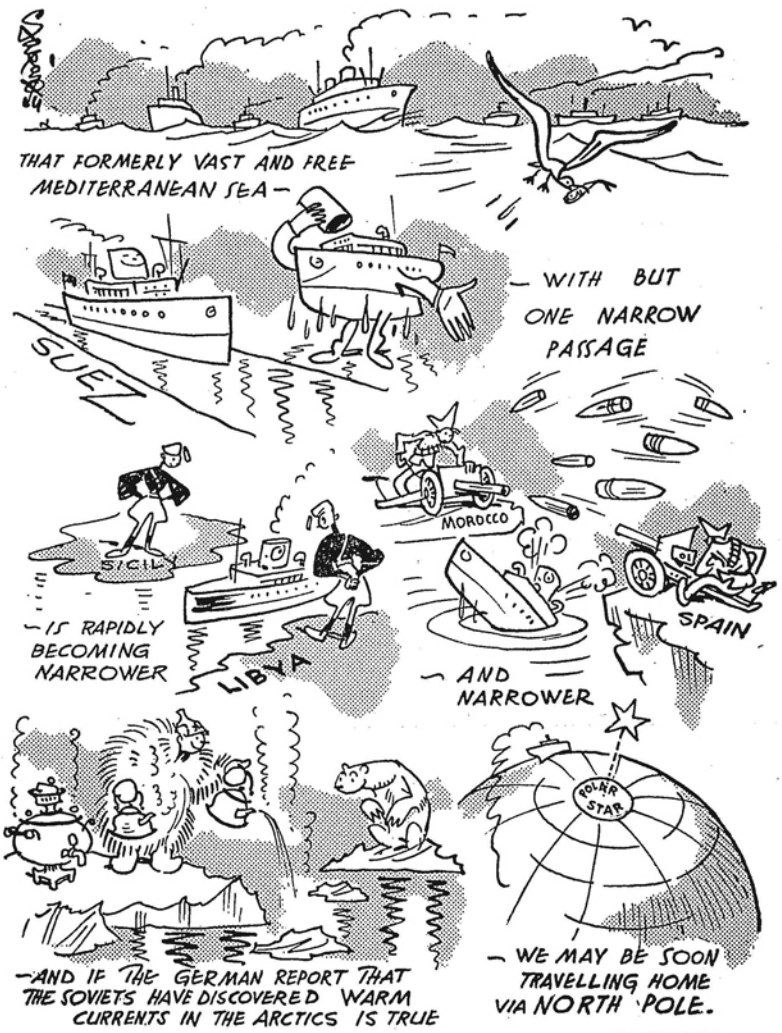
SIR,—Referring to the correspondence re AIR MAIL which is now raging in your valued paper, I am in a position to show that delays are not occurring with regard to letters from China alone. I am in receipt of a letter with the following postmarks:—

"Brighton and Hove Sussex" February 16, 1937.
"Canton" March 4, 1937.

which was delivered to me on March 8, which is exactly 20 days, whereas I have received letters "Via Siberia" regularly between 16-18 days.

JOHNNIE ROZARIO

Shanghai, Mar. 11.



A COOLER ROUTE

By SAPAJOU

"OLD SOLDIER"

Another Tribute

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I have read, with interest, the many letters published in your paper regarding "Old Soldier", and I heartily agree with the sentiments expressed by TALLYHO in your edition of February 23. I am enclosing subscription amounting to $40, part of which was subscribed willingly and graciously by those who thought "Old Soldier" was entitled to happiness the remainder of his life. I have brought the subscription up to the above total myself as a tribute to my little dog, "Teddy-Girl", which passed away on March 4, and in case anyone should write that this is "drivelling sentimentalism" I should like to quote Bishop Doane's tribute to his dog, which I have taken the liberty of transposing to describe my pet:—

I am quite sure she thought that I was God
Since He is God on whom each one depends
For life, and all things that His bounty sends
My dear wee dog, most constant of all friends;
Not quick to mind, but quicker far than I
To Him whom God I know and own; her eye
Adoring and kind, watched for my nod
And was more obedient to my word
Than I, when God His wise correction sends.
She looked love at me, deep as word e'er spake;
And from me never crumb or sup would take
But she wagged thanks with her most vocal tail;
And when some crashing noise waked all her fear
She was content and quiet if I was near,
Secure that my protection would prevail;
So, faithful, mindful, thankful, trustful, she
Showed me what I unto my God should be.

LONELY.

Shanghai, Mar. 9.

OUTSIDE ROADS

S.M.C.'s Right to Acquire

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—A number of uncontradicetd assertions have been made in Shanghai newspapers contending that the Shanghai Municipal Council have no rights outside the limits of the Foreign Settlement (and presumably the French Municipal Council also).

The Settlement is governed by the "Land Regulations," which were mutually agreed upon by the Chinese Government and the Foreign Ministers in China at the time they were made effective. Until they are superseded by some other form of government, or the refusal of one of the parties to carry out the agreement they have made, or war, they remain the only basis of government to-day. Land Regulation VI reads as follows:—

It shall also be lawful for the Land Renters, and others who may be entitled to vote as hereinafter mentioned, in public meeting assembled, to purchase land leading or being out of the Settlement, or to accept land from foreign or native owners upon terms to be mutually agreed upon between the Council and such foreign or native owners, for the purpose of converting the same into roads or public gardens and places of recreation and amusement, and it shall be lawful for the Council from time to time to apply such portion of the funds raised under Article IX of these Regulations, for the purchase, creation and maintenance of such roads, gardens, etc., as may be necessary and expedient.

The S.M.C. has purchased the land on which outside roads are made and paid for it., Article IX empowers them to collect rates and taxes for the upkeep of the roads. The same Land Regulation states that "such roads shall be dedicated to the public use....of all persons residing within the Settlement." The occupants within the present "distressed area" of Tifeng Road do not reside within the Settlement, so the S.M.C. ask them to contribute to the roads on which their houses are built—or refrain from using them.

GREAT WESTERN.

Shanghai, March 13.

THE LATE MRS. A. ALLAN

Services as Librarian

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—The notice of the death of Mrs. Henrietta Allan widow of the late Alexander Allan, which appeared in your columns this morning reminds the writer of the service which the late Mrs. Allan rendered to the foreign community of Shanghai by her services as Librarian of the Public Library from 1913-25 inclusive; that is from the time when the library was taken over by the Municipal Council.

This is the longest term served by any librarian and it is understood by the writer that the late Mrs. Allan had also served as librarian when the library was a private enterprise, although no exact records on that point can be found. Mrs. Allan was a Shanghai-born girl who married here and had two children, one of whom, a son, is now living in England. After her husband's death she took up the work of librarian and during her tenure of office great progress was made in the extent and usefulness of the library. There must be many residents still here who will remember with gratitude her services in this capacity.

B. LEVIS,
Asst. Librarian.
Shanghai Public Library.

Shanghai, Mar. 11.

MIXED MARRIAGE

Theory of Racial Equality

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—It is to be hoped that A.J.C.'s letter published this morning will be not merely read, but well digested, particularly by those to whom the theory of racial superiority appears such a fetish.

The foisting of European civilization upon the peoples of Africa, China or Central America, makes nauseating reading to say the least, and when an eminent statesman speaks of carrying the "torch of European civilization" into the Dark Continent, it is presumably another way of stating that a cargo of flame-throwers has just been despatched wherewith to amuse the lowly, misguided natives!

But as A.J.C. points out, it is not necessary to look beyond the borders of Europe for these pleasant happenings.

It is clearly impossible to establish the theory of racial equality or otherwise. What one nation may display in virility or physical courage, another will possess in honesty, artistic development, or one or more of the many other factors that combine to make the human race what it is.

DR. HAYEK would do well to make a study of this problem in the West Indies, for instance, where, with the possible exception of the Bahamas, the percentage of pure whites is very small indeed.

Trinidad and Guiana offer a striking example with the unrestricted crossing of French, Negroes, Spanish, Syrian, Portuguese, British and Indians (or East Indians as they are termed as apart from the Arawaks and other aboriginal tribes who are rapidly becoming extinct). Among all West Indian inhabitants, the Chinese alone seem disinclined to marry, whether imbued with any sense of race superiority I do not know; possibly DR. WU may have some explanation to offer. When one looks into (or attempts to) the ancestry of these mixed peoples, particularly their white lineage, embracing as it does the vagabonds and cut-throats who ravaged that part of the world not so many generations ago, one realizes all the more that an environment of freedom, equality and justice is far more powerful than what are termed inherited qualities.

I do not propose entering into an argument with either DR. WU or DR. HAYEK on the subject of Mendelism, which theory was first expounded to me by Prof. Aldred Barker close on twenty years ago, beyond saying that unless the dominant qualities of nations are their worst characteristics, there seems no reason to fear the result of inter-breeding between any group of peoples, providing the stock is good.

The crux of the matter is surely to seek the abolition not merely of racial prejudice in the political sense, but of the narrow and contemptible social conditions in which this germ thrives.

HAROLD B. GLEDHILL.

Shanghai, Mar. 9.

FROM THE SHANGHAI
Municipal Gazette

CHINESE BOOKS IN PUBLIC LIBRARY.

Policy Regarding Purchases.

The Public Library Committee at its last meeting discussed the question of policy in regard to the purchase of Chinese books. Members had before them a report on the matter dealing with the possibilities of classification, the class of Chinese for which it was specially desired to cater, and the type of books likely to be of most use and interest to members of such a class. The report gave details of arrangements at the Liang-Tsai Circulating Library, 353 Nanking Road, which has over 30,000 volumes, catering mainly for the needs of local office workers, shop assistants and apprentices and it was suggested that purchases of modern Chinese books for the Public Library should in future follow the same general lines. Approximately 37 per cent. of the books purchased for the Liang-Tsai Library were classified as literature (including fiction), 27 per cent. social Sciences, 12 per cent. general, 12 per cent. natural sciences and the balance as applied sciences, philosophy, arts and music, history and geography, and religion. There was little demand for classical books.

Members were informed that the heading General connoted text books of general literary interest from the professional point of view, such as books on Library Science and Journalism.

The Committee agreed that future purchases of books in Chinese for the Public Library be made in general accord with the proportions indicated above.

The Council on March 3 endorsed the Committee's recommendation.

MR. LI SHIH-TSENG, a member of the Central Supervisory Committee of the Kuomintang and director of the National Research Academy in Peiping, who has been appointed Chinese Commissioner to the Paris Exposition, has arrived at Peiping and is trying to persuade Mr. Cheng Yen-chiu, who is only second to Mr. Mei Lan-fang as a female impersonator, to tour France in connection with the exposition.

WHILE public dancing is banned in Nanking, private dance parties are allowed to be held, according to a ruling passed at a meeting of the Metropolitan Association for the Promotion of the New Life Movement. The International Club, the only public establishment in the capital immune from the ban on public dancing, will be allowed to hold two dances a week, the deadline of which is midnight.

THE co-operative movement has been growing by leaps and bounds in Shensi during the last two years under the direction of the Shensi Agricultural Co-operative Movement Bureau, in collaboration with the branches of the Bank of China in the province. During the last two years, 2,140 co-operative societies, with a membership of 79,343, have been formed in Shensi, and credit loans extended to the peasants amount to about $3,000,000.

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SPORTS AND PASTIMES

SHANGHAI SOCCER

(A.S.F. 3, S.R.C. 2)

The Asssociation Sportif Francais, undefeated leaders of the First Division, were lucky on March 13 in defeating the Shanghai Recreation Club in the semi-final round of the Skottowe Cup, by the odd goal in five. In their last league encounter, the French just managed to win by a narrow margin, and the large crowd of spectators thronging the sidelines of Ground No. 2 at the Race Course eagerly hoped to see the tables turned this time.

The A.S.F., although trailing by two goals at half-time, came back in characteristic style on resumption to score three goals and thus win the game. It is true that the result might have been different, if Cochran had utilised the glorious opportunity given him, instead of making such a feeble attempt of the penalty kick awarded to his side in the second half.

The deciding goal of the match was another lucky incident in favour of the French, as Bossuet's kick glanced off Roboostoff to find the net, the ball taking Eickoff completely by surprise. For the Rees. Eickoff in goal was by far the outstanding player, as time and again he eased dangerous situations due to fine anticipation and good handling.

Mike Belinky was easily the pick of the forward line. Playing his usual aggressive game, not only did he open up play and feed his forwards well, but took advantage of every opportunity that came his way, but due to lack of sufficient support, he was unable to accomplish much. The French played well as a team without anyone being particularly outstanding.

A.S.F.:—Boissezon; Marcal, Collet; Bell, Jack Ward, Park; Favacho, W. Ward, Roboostoff, Bossuet, Jim Ward.

S.R.C.:—Eickoff; Neubourg, Turner; Cochran, Symons, Madar; Aldeguer, Greenberg, Belinky, Kermani, Ryan.

(A.S.F. 8, S.F.C. 5)

The A.S.F. XI continued their march to the Association Football 1st Division Championship, defeating the Saint Francis Xavier side by eight goals to five on the Race course on March 14 before a big crowd. The School eleven started off with the wind in their favour and although given numerous opportunities were able to score only on three occasions in the initial period, allowing their opponents three goals also.

On the change-over, with conditions reversed, the A.S.F. used their weight to good advantage to mow down the Saints' defence, and soon were ahead eight goals to three. A rally by the losers in the closing minutes gave them another two points to bring the final score to 8-5 in favour of the French side.

A.S.F.:—Boissezon; Collet and Borgeest; G. Neuborg, Jack Ward and Bell; W. Ward, Litargne, Marcal, Bossuet and Jim Ward.

S.F.X.:—Souza; Stangaard and Borodin, Garwood, Bulldeath and M. Greenberg; Foyn, Petterson, L. Walley, E. Walley and Edwards.

Referee: A. C. Sinclair.

(S.F.C. 4, Sokol 4)

In a fast and spirited match the Shanghai Football Club and Sokol elevens fought it out to a four all draw, after being tied at the interval with two goals apiece. The Club were forced to play with only ten men the greater part of the game when S. Tuttelman suffered a serious injury to his leg. Soon after the change-over the Russians scored twice to take a 4—2 lead and it looked like their game, but Kimber and Allison each found the net once to stave off defeat.

S.F.C.:—S. Godkin; G. Greenberg and McLorn; Muir, G. Jack and Caro; Paskildes, S. Tuttelman, Kimber, P. Wilson and Allison.

Sokol:—Bocevitch; Hvoroff and Golkin; Urieff, Malinovsky and Shestakoff; A. Aprelkoff, N. Aprelkoff, Zelensky, Karolich and K. Choohlantzeff.

Referee: S. Westhead.

League Standings

The following are the league standings to date:—

FIRST DIVISION

	P.	W.	D.	L.	F.	A.	Pts.
Loyals	16	12	2	2	71	19	26
A.S.F.	12	11	1	—	84	27	23
Tung Hwa	13	11	1	1	57	23	23
S.R.C.	15	9	1	5	80	42	19
S.M.P.	16	7	1	8	53	54	15
S.F.X.	17	6	2	9	47	63	14
Clube Lusitano	17	5	1	11	36	77	11
Sokol	14	3	4	7	26	44	10
S.F.C.	17	3	2	13	33	77	8
Chinan	16	2	1	13	23	81	5

SUNDAY MORNING LEAGUE

Tsing Teh	9	9	—	—	116	9	18
Russian A.A.	11	9	—	2	65	16	18
Aurora	10	8	—	2	66	12	16
Area Details	11	8	—	3	71	30	16
Tung Kwang	11	7	—	4	44	34	14
J.R.C.	10	6	—	4	39	24	12
Nich Chih Kwei	11	5	—	6	43	43	10
Beter	11	5	—	6	27	58	10
Abteilung	11	4	—	7	34	49	8
Khalsa	11	2	—	9	16	61	4
J.A.C.	11	1	—	10	19	84	2
Nat. Comm. Bank	11	—	—	11	3	123	—

SHANGHAI RUGBY

(A.C.C. 3, S.M.P. 0)

After a closely contested match, the Armoured Car Company defeated the Shanghai Municipal Police by a try (3 points) to nil, thereby qualifying for the final of the Spunt Cup competition, the other finalist being the Second Battalion of the Loyal Regiment. The Police put up very stubborn resistance throughout and although the Cars had slightly more of the play, the issue was in doubt right up to the end of the game.

The Volunteer unit owed their success to A. D. Sayle's speed, this player outstripping the defence to score the only try of the match. K. R. Aiers played a fairly good game at full-back, although his handling was not too certain. Of the threes, Roe and Tarr in the centre were prominent, but hung on to the ball too long, as a result of which neither Sayle nor Bastian on the wings saw very much of it. Both Roe and Tarr were given a difficult task in marking Bader and Hocking, both the latter being particularly fast men.

Armoured Car Company:—K. R. Aiers; A. D. Sayle, A. D. Tarr; R. H. Roe, G. Bastian, G. M. Mills, E. P. Morphew; J. F. Burford, R. A. O. Mayne, J. D. Sayle, F. J. Williams, L. V. Fabian, D. P. Legge, G. J. P. Carey, N. M. W. Harris.

S.M. Police:—H. Boo'h; M. R. L. Lingard, F. Bader; L. R. Hocking, W. Peasgood, N. Hicks, K. J. Larby; J. Edgar, F. A. Pitts, W. H. Duke, D. B. Henchman, W. Lockwood, J. Hartley, T. D. Dearn, J. M. Fallace.

Referee: E. S. Barraclough.

(4th U.S Marines 18, S.N.R.C. 0)

A junior U.S. Marines Rugby XV which included six of the 1st XV proved much too strong for the Shanghai Nipponese Rugby Club whom they defeated by three goals and a try (18 points) to nil on March 14 at the Race Course, the newly formed Japanese side having to play on the defensive for the greater part of the match. The fine weather drew a large crowd to the Race Course and a fairly good crowd watched the game.

Fourth U.S. Marines 2nd XV:—Brackett; Sykes, C. Smith; Petro, Plyler, Menener, Klecko; Hotchkiss, Fiesler, Darewitt, Reuter, Doore, Dewitt, Vucic, Khumberg.

Shanghai Nipponese Rugby Club:—Hatano; Koyobashi, Okimoto; Koyoma, Kioke, Tei, Horie; Kawai, Takata, Fujita, Tsuda, Matsumoto, Mishiyama, Yamaguchi, Shibuki.

Referee: F. Inglis.

Cross Country Run Won by H. D. Clark

SPECIAL TO THE "N.-C. HERALD"

London, Mar. 14.

H. D. Clark, of the York Harriers, to-day won the English National cross-country run of 10 miles at Stratford-on-Avon. His time was 60 min. 19 secs.

The Birchfield Harriers won the team event.—Reuter.

S.F.A. OFFICIALS LEAVING

Three officials of the Shanghai Football Association are shortly to proceed to England on long leave. Mr. H. F. Marshall, who is a well-known local referee and a member of the S.F.A. Committee, sailed on March 12. During his association with the Soccer code here Mr. Marshall has put in a prodigious amount of work both as a committee member and an official on the field of play.

On March 31 Capt. H. G Reed, deputy chief officer, Shanghai Fire Brigade, will also leave for England where he and Mr. Marshall have made arrangements to meet in order to travel together to Wembley Stadium to see the Cup final on May 1. Capt. Reed, who is a vice-president of the S.F.A., told a representative of the "North-China Daily News" that Mr. Marshall and he had obtained their tickets for the final some months ago.

At the beginning of April Mr. J. W. Morcher, also a vice-president of the S.F.A., will travel home to England. To these three gentlemen who have done so much for Association football in Shanghai will go the best wishes of all followers of the game.

ITALIAN BEATS MOTOR BOAT RECORDS

Rome, Mar. 9.

The Italian racer, Fernando Venturi, broke two world records yesterday for 1200 kilo motor boats. On a three hour run on Lac Paolo, near Sabaudia, he covered 128.114 kilometres, or an average speed of 42.704 kilometres per hour. Continuing for a further three-hour period, he travelled in all 240.395 kilometres in six hours, or at an average speed of 40.065 km. per hour.—Havas.

SHANGHAI HOCKEY

(Loyals "B" 1, S.H.C. "B" 1)

Although extra time was played, no decision came of the play-off to decide the championship of the second division of the Hockey league, the score of one goal all making it again necessary to play the match between the Loyals "B" and the Hockey Club "B." The run of scoring was extremely exciting in that the Loyals only gained their equalizer five minutes before the end of the match, after having an earlier goal disallowed.

Both teams rose to the occasion and both contested every minute of the match. At full time, it was decided to play an extra twenty minutes, but even with this extra time, no deciding score was arrived at and it is therefore necessary to have the replay.

Loyals "B":—Larkin; Cowell, Hendrick; Wright, Paque, Lt. Gardiner; Foster, Connell, Hancock, Hooper, Lt. Smith.

Club "B":—C. J. A. Spraggett; E. Beeching, J. H. Blakelock; G. H. Dickson, W. J. Silvey, A. Maude; J. Robertson, T. Parker, E. S. Giles, H. F. B. Gardiner, J. D. A. Hutchinson.

(Loyals "A" 5, German H. C. "B" 1)

Although the First Division Hockey league has not been completed, the Loyals "A" team are assured of taking the title as a result of their victory on Mar. 13 by five goals to one over the German Hockey Club "B." This victory has placed the Loyals in an unassailable position at the top of the league standings, and it does not matter whether they win their last engagement which is down for decision next week-end. The German "B" defeated the Loyals in their previous meeting, and the Army team was all the more keen to redeem themselves in the eyes of their supporters, thereby adding further significance to the tussle.

Loyals "A":—McDonald; Landrock, McCormick; Roades, Cronin, Thomas; Wilcox, Byrne, Lt. Cole, Lt. Whiteing, Pyatt.

Germans "B":—Von Grafen; Siemssen, Schroeder; Pracht, Lemser, Gunther; Schantz, Bieuling, Soenksen, Jessen, Schoeman.

(German "A" 2, S.H.C. "A" 1)

An exciting and closely fought match took place on March 14 between two old rivals, when the German Hockey Club "A" team just defeated the Shanghai Hockey Club 'A'" by two goals to one, the winners just being able to put finish to their movements with better effect than their opponents. The Club had numerous chances, but their poor shooting lost them the day.

Germans "A":—Tiefenbacher; Melchers, Sommers; Lemser, Berg, Siemssen; Kuelps, Remmele, Wetzell, Pracht, Heintz.

Club "A":—J. C. Pullen; C. A. Bowen, H. A. Crickmer; C. B. Broadbent, R. W. Edwards, B. K. Wallace, H. F. B. Gardiner, K. C. Woodhouse, W. E. Williams, E. S. Giles, I. H. Kendall.

South African Rugby XV Loses to Baden

Heidelberg, Mar. 14.

A Rugby team composed of South African students from various European universities opened its German tour with a match against a strong Baden fifteen in this city to-day. The play was of strenuous character throughout and ended with a victory for the Baden team by 14 to 5 points.—Trans-Ocean Kuo Min.

CORINTHIANS TO VISIT CHINA

Hongkong next year will have the opportunity of seeing the famous amateur team of Islington Corinthians play football in the Colony if the plans of the South China Association materialise. Negotiations between the two Clubs have been going on for several months and it has already been suggested that the Corinthians visit the Colony during the Chinese New Year in 1938. The visitors may go on to Shanghai as part of their plan as they intend to participate in the World Olympiad Games which are to be held in Tokyo in 1940.

A request was put forward at the meeting by the South China representative that next year's Interport visit to Shanghai be postponed to another date instead of the Chinese New Year in order to accommodate the English team. It was pointed out by the meeting that several delicate points would be raised and a sub-committee was, therefore, appointed to go into the matter.

It will be recalled that when the Chinese Olympic football team visited England after the Berlin games they were engaged in a number of matches with well-known clubs. Among those whom they played were the Islington Corinthians who defeated the Chinese eleven by five goals to two.

U.S. BEAT CHINA AT GOLF

(United States 11, China 9)

The golf match between China and the United States, which was played at the Kiangwan Golf Course on Mar. 14, under ideal weather conditions, resulted in one of the closest struggles that has taken place in this fixture, since it was inaugurated two years ago. The United States won by eleven points to nine and the issue was in doubt right up to the last four-ball match, in the afternoon.

The Chinese players have never won this competition yet but they came nearer to doing it than ever before, the finish being very exciting. An amusing incident took place, owing to the late arrival of one of the Chinese players, when the President and Committee of the Chinese Golfers Association fined the player two quarts of champagne, with which the health of those taking part in the match was drunk at the conclusion, with much acclaim.

In the Singles matches in the forenoon, the Chinese players fared badly, winning only three and halving two out of the twelve matches, the Americans establishing a good lead by taking seven matches and halving two. B. Kan beat L. L Farnsworth; Bang How beat U. G. Frondorf and J. M. Tan beat H. H. Cameron. The matches between D. Wong and F. R. Endahl, and Cheng Huan and H. G. Freeman were halved. For the Americans, B. O. Baldwin beat T.Y.C. Lee; J. Fistere beat P. C. Wong; Leo Reierstad beat C. Kuangson Young; L. A. Fritchman beat W. F. Hsueh; W. C. Belknap beat M. C. Tsai; J. V. Crowe beat W. H. Tan and J. B. Davies beat H. L. Yung.

In the afternoon the Americans did not fare so well in the four-ball matches, winning only two and halving one, the Chinese taking the other three matches. With the latter three matches up and one halved, the returns of the last four ball match, which finished late, owing to C. K. Young's late arrival in the morning, were eagerly awaited, the match being all square. But the Chinese were doomed to disappointment, for Leo Reierstad and L. A. Fritchman beat C. K. Young and W. F. Hsueh, by four and three, to win the match by two points. The following are the results of the match:—

U.S.A. *v.* CHINA

	Singles & Ball			Singles & Ball
L. L. Farnsworth	0		B. Kan	1
B. O. Baldwin	1	0	T. Y. C. Lee	0 0
F. R. Engdahl	0		D. Wong	0
J. Fistere	1	0	P. C. Wong	0 2
Leo Reierstad	1		C. K. Young	0
L. A. Fritchman	1	2	W. F. Hsueh	0 0
W. C. Belknap	1		M. C. Tsai	0
H. G. Freeman	0	0	Cheng Huan	0 2
J. V. Crowe	1		W. H. Tan	0
J. B. Davies	1	0	H. L. Yung	0 2
U. G. Frondorf	0		Bang How	1
H. H. Cameron	0	2	J. M. Tan	1 0
	7	4		3 6
	11			9

JAPANESE RUGBY CLUB DINNER

Marking their entry into competitive rugby with local teams, the Shanghai Nipponjin Rugby Club held a dinner on March 14 at the Japanese Club, when members of the Shanghai Rugby Union Football Club were entertained. The Japanese Rugby Club was formed last March, and although several matches were played, they were not able to compete with local teams until this season. They have during the current season played seven matches and have been particularly keen in the later part of the season.

The Club has been formed by a majority of ex-University rugby players, all of whom are in business in Shanghai, and as one of the team proudly remarked, their average age must be something well over 30. Nevertheless, they are very keen, and have been training particularly strongly in recent weeks. Several ex-members of the Tung Wen College teams have played in their side and it is anticipated they will be strengthened by the inclusion of several others.

At the dinner, Dr. Yoshida, captain of the Shanghai Nipponjin Rugby Club made a speech, covering the activities of the club during the current season, and thereafter Mr. Takata spoke a few words in similar connections. Mr. Hayashi of the Tung Wen College, made an interesting speech, thanking the Rugby Club for fostering the interest that Japanese players have taken, and expressing the hope that similar assistance would be rendered next season, when it was hoped that the Shanghai Nipponjin Club would be strengthened by the inclusion of several players which would enable them to challenge the Shanghai 1st XV.

Mr. Silby Replies

Replying to the speeches, Mr. R. D. K. Silby on behalf of the S.R.U.F.C. thanked the Japanese hosts for their hospitality, and said that rugby in Shanghai had been made all the more interesting in recent years thanks to the competition given by Japanese teams, particularly that from the Tung Wen College. It was an established fact that the annual series with the touring Japanese University teams such as Waseda and Meiji were regarded as highlights in the rugby season, and the Rugby Club were lucky to have such friends as the Japanese sporting organizations who promoted these games.

He particularly thanked Dr. Yoshida and Mr. Takata for their work in this connection, and said that on behalf of the Rugby Club he would welcome with enthusiasm any further competition from Japanese teams.

Annual Meeting

YANGTSZEPOO BOWLING CLUB

The Yangtszepoo Bowling Club held their annual general meeting on March 12 in the club house, the chair being taken by the President of the club, Mr. R. Fyfe, supported by the committee. Before proceeding with the business of the meeting the chairman asked the members to kindly rise and stand for a moment out of respect for the late James Ewing, a popular member of the club.

After the report and accounts had been passed, the following officials were elected for the coming year: President, J. O. Drysdale; Vice-President, L. Beattie; Captain, J. Wotherspoon; Vice-Captain, P. F. Mason; Hon. Secretary and Treasurer, H. McMahon, and Committee: W. R. Chisholm, R. Fyfe, A. Rutherford, D. Scrimgeour, A. Sharp and C Thompson.

The chairman in his report of the year's working said it had been most successful and the club was in a flourishing condition. Whilst they had not done so well in the Association competitions, they had won the Mercury Cup, the most valued trophy in local bowls. The final against their old friends the Rees was, according to the Press, the finest exhibition of bowls ever seen in Shanghai, with which, he heartily agreed. The thanks of the club were due to Mr. Kerr, superintendent of Parks and Open Spaces, and his staff, for the fine condition in which the greens had been maintained during the year and the assistance that they had given at all times.

During his year of office he had been ably supported by the committee and the loyalty of the members, and he wished specially to mention the splendid work of their Hon. Secretary and Treasurer, W. Simpson, which was largely responsible for the successful running of the club. He is going on leave shortly and they wished him bon voyage and a safe return.

J. O. Drysdale, the new president, called for a vote of thanks for Mr. R. Fyfe, who had served the club so well not only as president but who for a number of years had willingly given them his valued assistance Carried unanimously, the meeting then closed.

JAPANESE Y.M.C.A. TO BUILD

Revealing, for the first time, that the local Japanese Y.M.C.A. was planning to build a gymnasium for the use of its members, Dr. Tadaoki Yamamoto, one of Japan's leading scientists and an enthusiastic sportsman on Mar. 13 disclosed that he was in Shanghai in connection with the project.

Dr. Yamamoto, who is well-known in Japan for his experiments in television, arrived by the ss. Nagaski Maru for a four-day stay. During this time, he will study suitable sites for the projected building and discuss plans with officials in charge.

FAR EAST LUCKY IN NATIONAL SWEEP

Dublin, Mar. 16.

In the Grand National sweepstake Irvine has been drawn by ticket No. CD 07511, held by Pilots Shanghai, 26 The Bund, Shanghai.

Sea Rover has been drawn by ticket No. DT 27109, held by Klvie, Kowloon Dock, Hongkong and Battleship by ticket No. XN 74927, held by R.A.S., P. O. Box No. 1615, Kowloon, Hongkong.

The total prize fund in the Irish Hospitals Sweepstakes on the Grand National amounts to £1,622,000, which has been divided into 16 units of £100,000 each.

The drawer of the winning horse receives £30,000, of the second horse £15,000 and of the third horse £10,000. The drawers of the 57 other horses receive £614 each and there are 1,600 prizes of £100 each.

The balance is to be divided into 10 cash prizes of £6,223 each.—Reuter.

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SHANGHAI RACES

First Extra Meeting: Good Racing

An afternoon of good racing, good dividends and fields, sums up the First Extra Race Meeting at the Shanghai Race Club on March 13. The early morning promise of a bright sunny day did not materialize and it turned out to be a raw afternoon, which no doubt largely accounted for the poor attendance. The 1937 Subs made their first appearance and the principal race of the day, the Sub-Griffins Grand Stand Stakes, was won by Experience, with the favourite Radio Eve second and Effingham third.

1.—THE PHOENIX PARK STEEPLE-CHASE. From Loong-fei Gate, Once Round and In.
King's Jubilee (Liddell) 159 W. L. McCann 1
White Whiskers (A. V. White) 153 A. A. White 2
Mightylight (Cire) 155 C. M. Moller 3
Won by 1 length; ½ length.
Win, $106.60. Places, $25.20, $9, $13.20.

2.—THE MALLOW NOVICE CUP. 7 furlongs.
Army-ribbon (H. O. White & M. Shibbeth) 151 H. A. White 1
Florizel (Oldham) 150 A. C. Kew 2
Clydeview (Gale-Duncan) 160 G. V. Cherdynzeff 3
Sweep: (1) 401, (2) 245, (3) 512.
Unplaced: 123, 107, 104, 89, 103, 626, 349, 112, 251, 242, 55, 218.
Won by 3 lengths; ½ length.
Time, 1.51½ sec.
Win, $23.60. Places, $10.80, $13.60, $49.20.

3.—THE BALDOYLE PLATE. ¾ mile.
Clipping Morn (A. S. Henchman) 156 A. F. Clark 1
Victory King (Manx) 159 W. L. McCann 2
Scramble Morn (M. Benavitch) 158 E. B. Cumine 3
Sweep: (1) 479, (2) 730, (3) 7.
Unplaced: 614, 733, 705, 148, 88, 612, 605, 288, 515, 625.
Won by a neck; 3 lengths.
Time, 1.31½ sec.
Win, $23. Places, $10.40, $14.80, $12.20.

4.—THE 1937 SUB-GRIFFINS GRAND STAND STAKES. 1¼ mile.
Experience (H. M. Hind) 152 J. Pote-Hunt 1
Radio Eve (Billeve) 152 H. Maitland 2
Effingham (Villagers) 155 C. Encarnacao 3
Sweep: (1) 223, (2) 769, (3) 206.
Also ran:—276, 253, 160, 129, 128, 59, 703, 622.
Won by a neck; 1½ length.
Time, 2.53½ sec.
Win, $50.20. Places, $11.80, $6.80, $6.60.

5.—THE POWERSTOWN SELLING RACE. 1 mile.
Sporting King (Gale-Duncan) 155 F. Noodt 1
Panary (Makalee) 151 J. Pote-Hunt 2
The Great Macdermott (H. M. S.) 140 F. X. Diniz 3
Sweep: (1) 12, (2) 40, (3) 415.
Unplaced: 103, 237, 188, 385, 757, 33, 404, 365, 55, 179, 677, 730.
Won by 2 lengths; a neck.
Time, 2.09½ sec.
Win, $112.80. Places, $34.60, $17.20, $114.40.

6.—THE LIMERICK CUP. 9 furlongs.
Grayling (Winsome & Hasty) 153 V. V. Needa 1
Blue Boy (Mrs. Jack Liddell) 155 H. Maitland 2
Gold Dollars (Cire) 156 R. B. Moller 3
Sweep: (1) 69, (2) 368, (3) 40.
Unplaced: 119, 736, 325, 631, 777, 127, 262, 538, 108, 192, 393, 822, 615, 356, 275, 453, 142, 106, 210, 396, 756, 739, 212, 207, 182.
Won by 2 lengths; 2 lengths.
Time, 2.22½ sec.
Win, $75.60. Places, $19, $10.40, $26.

7.—THE CURRAGH HANDICAP. 1 mile.
Vivid Morn (A. S. Henchman) 156 A. F. Clark 1
Frostlylight (Cire) 159 R. B. Moller 2
The Frigate (Winsome & Hasty) 160 V. V. Needa 3
Sweep: (1) 877, (2) 691, (3) 559.
Unplaced: 773, 779, 234, 288, 32, 609.
Won by a head; 3 lengths.
Time, 2.04½ sec.
Win, $72. Places, $13, $8.20, $7.40.

8.—THE 1937 SUB-GRIFFINS PLATE. ¾ mile.
Lodore (J. H. Ford & H. F. B. Gardener) 152 J. Pote-Hunt 1
Morningray (Ray) 155 F. Noodt 2
Coronation Eve (Vereve) 152 H. Maitland 3
Sweep: (1) 794, (2) 202, (3) 318.
Unplaced: 856, 399, 209, 525, 664, 7.
Won by a neck; 3 lengths.
Time, 1.35½ sec.
Win, $16.80. Places, $6.60, $7.60, $7.80.

9.—THE LEOPARDSTOWN PLATE. 1¼ mile.
Blue Peter (Mr. and Mrs. W. N. Wells-Henderson) 152 C. Encarnacao 1
Gold Bloc (Ray) 152 F. Noodt 2
Roehampton (A. S. Henchman) 155 A. F. Clark 3
Sweep: (1) 251, (2) 640, (3) 301.
Unplaced: 22, 402, 331, 883, 865, 690, 759, 193, 678, 183, 203, 514, 847, 78.
Won by 1 length; short head.
Time, 2.41½ sec.
Win, $54. Places, $15.60, $20.20, $9.80.

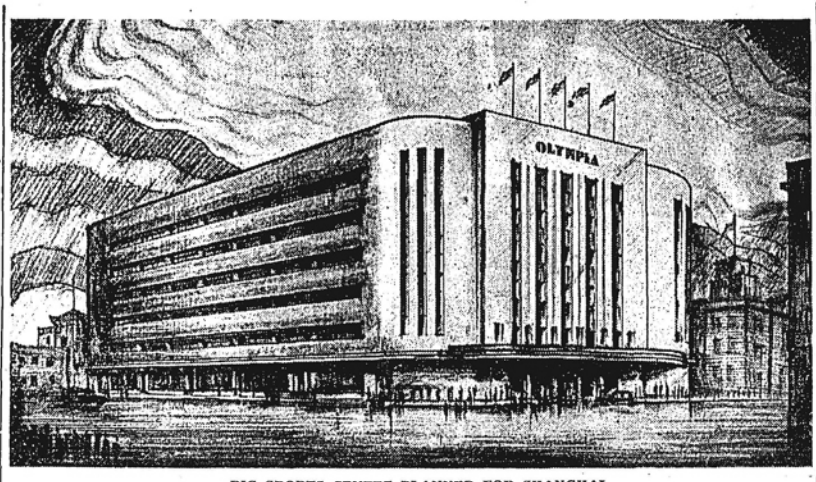
10.—THE 1937 SUB-GRIFFINS ST. PATRICK'S CUP. 1 mile.
The Goldfinch (Winsome & Hasty) 152 V. V. Needa 1
Blackmail (H. G. Robinson) 155 A. F. Clark 2
Second Venture (Fash) 152 C. Encarnacao 3
Sweep: (1) 468, (2) 106, (3) 660.
Unplaced: 114, 633, 128, 847, 78, 9, 222, 55, 727, 675, 110, 158, 622, 550.
Won by 1 length; 1 length.
Time, 2.11¼ sec.
Win, $7.40. Places, $6, $10.80, $15.60.

11.—THE DUBLIN HANDICAP. 9 furlongs.
Kangar (Bubbling Well) 157 H. Maitland 1
Windsor (Winsome & Hasty) 158 V. V. Needa 2
Invicta (Jim) 150 C. Encarnacao 3
Sweep: (1) 785, (2) 864, (3) 693.
Unplaced: 614, 325, 769, 143, 136, 222, 92, 808, 338, 224, 177, 854, 333, 279.
Won by ¾ length; 1 length.
Time, 2.24.
Win, $20.40. Places, $8, $6.60, $13.80.

RAILWAY TEAM TO VISIT JAPAN

Tientsin, Mar. 11.

The Peiping-Liaoning Railway soccer team, which won the International Cup yesterday by defeating the British Infantry eleven by three goals to two, will visit Japan early next month on a playing tour.—Central News.



BIG SPORTS CENTRE PLANNED FOR SHANGHAI

An ambitious scheme to provide Shanghai with an up-to-date sports centre, to be known as Olympia, has just been announced. The picture above shows the architect's drawing of the huge building. In addition to a gymnasium a large swimming pool, to be used as an ice-skating rink in winter, is included in the plan.

BIG SPORTS CENTRE FOR SHANGHAI

Ambitious Scheme Announced: Many Facilities Include Gymnasium, Ice Rink, Swimming Pool

A scheme to furnish Shanghai with a modern, well-equipped athletic hall and indoor arena has been developed. The new establishment, which will cost approximately $1,750,000, including land, equipment and buildings, will be situated on a plot of ground at the corner of Burkill and Myburgh Roads with an entrance from Bubbling Well Road.

The announcement of this project was made on March 8 by the board of directors of the new athletic hall, which will be known as the Olympia. Many business men of the city are on the board while Dr. C. T. Wang, Chinese Ambassador to the United States, is to be a patron.

The board includes the following. Messrs. N. F. Allman, A. D. Bell, M. Speelman, James H. Lee, H. F. Payne, Dr. C. Kuangson Young, William Z. L. Sung, N. L. Sparke, F. Siemssen, Wm. P. Hunt, R. T. McDonnell, E. A. Meyerink, T. C. Pan, G. M. Rosse, C. B. Morrison.

Architect's plans have already been completed. They call for the construction of a building with two floors, fitted with a refrigeration system. The first floor will contain a swimming pool and ice-skating rink while the gymnasium will be on the second floor. The building itself will cost approximately $700,000 while almost $250,000 is to be spent in refrigeration and athletic equipment, furniture and fixtures.

The building will occupy 11 mow of land, the cost of which is placed at $750,000. The structure, when completed, will have a 320 foot frontage on Burkill Road with a 220 foot frontage on Myburgh Road. A private roadway more than twenty feet wide, will lead from Bubbling Well Road to the main entrance. Room for parking space has been provided.

The Olympia will be capitalized $2,000,000. It also will be incorporated under the China Trade Act, United States.

Dorothy Round Engaged to Doctor

SPECIAL TO THE "N.-C. HERALD"

London, Mar. 9.

Miss Dorothy Edith Round, the well-known British tennis player, announced her engagement to-day to Dr. Douglas Little, from her own home-town of Dudley.

Dr. Little is a Scotsman. He plays hockey and also golf, but little tennis.—Reuter.

BADMINTON LEAGUE RESULTS

The Shanghai Badminton Association reports the winners of the various leagues for the 1936-37 season as follows:—

Men's Doubles, 1st Division:—Shanghai Race Club; Men's Doubles, 2nd Division:—St. John's. Mixed Doubles: Cercle Sportif Francais; Ladies Doubles: —Country Club "A."

This season, which has been the most successful one so far as the history of Badminton goes in Shanghai, brought out no less than 25 teams in the various leagues with 172 players representing clubs. These players together with a great number who indulge in this sport simply for the excellent exercise it affords definitely bring this popular game on a level with most sports in Shanghai.

WORK ON PEIPING STADIUM BEGUN

Peiping, Mar. 4.

Work on the construction of the municipal athletic stadium at the Altar of Agriculture was begun this morning. There was no formal ceremony, but both the building committee of the Bureau of Social Welfare and the architects, Messrs. Kwan, Chu, Yang and Co., of Tientsin, were represented. The contractors are the Union Construction Company, of which Mr. Zungying Wong has been the manager for many years.

The foundation-stone laying ceremony is expected to be held about the end of this month when General Chin Teh-chun, the Mayor, and Mr. Lei Tzu-shang, director of the Bureau of Social Welfare, will be present.

The stadium, which will cost about $150,000, will be completed at the end of August. It is understood that the annual track and field meet of Peiping, scheduled for May, may be postponed to the autumn when it will be available.—Reuter.

GERMAN GIRL SETS SWIMMING MARK

Copenhagen, Mar. 7.

Miss Martha Genenger of Germany won a new world's record for 400 metres, breast-stroke, to-day when she swam the distance in six minutes 19-2/10 seconds.—Reuter.

Gloucestershire Again Champions

SPECIAL TO THE "N.-C. HERALD"

London, Mar. 13.

Gloucestershire won the Rugby Union County Championship at Bristol to-day by defeating East Midlands in the final by five points to nil.

This is Gloucestershire's sixth victory since the War. They were champions in three successive seasons dating from 1930.

Results of other matches to-day were:—

Army 8, Territorial Army 6
Welch Regt. 13, 1st Prince of Wales Volunteers. 7
Cornwall 15, Kent 6
Richmond Middlesex 9, Somerset 5
Newport 19, Neath 8
Bath 6, Blackheath 5
Bedford 26, Guy's Hospital 3
Coventry 22, Richmond 6
Devonport S. 27, Torquay Athletic 5
Harlequins 11, Old Merchant T. 11
Leicester 9, London Welsh 0
Llanelly 29, Gloucester 0
London Scottish 25, United S. 3
Old Paulines 5, Bridgend 16
Rosslyn Park 8, Birkenhead Park 14
Abertillery 19, Newport 10
Aberavon 19, Cheltenham 0
Manchester 5, Moteley 5
Neath 0, Cardiff 3
Northampton 25, Rugby 0
Swansea 5, Old Cranleighans 11
—Reuter.

TORONTO HURDLER SETS NEW RECORD

Toronto, Mar. 12.

Fleet-footed Larry O'Connor, Toronto University track expert and member of the 1936 Canadian Olympic team, established a new world's record of 7.3 secs. for the 60-yard hurdles at the Maple Leaf Games here to-day.—United Press.

BASKETBALL

(America 36, China 33)

In a close and thrilling game on March 13 at the Stadium America just managed to win the Senior International Basketball Championship from China, scoring 36 points to 33. The teams were tied at 31 all when the final whistle blew, necessitating an extra period of play. Lock rose to the occasion for America and scored five points to China's two to enable America to retain the trophy.

Both teams were in tip-top form to thrill the large crowd that turned out to witness the third battle between the rivals. America won the first game of the series quite handily, and in the second encounter China displayed amazing form to run out easy victors and make themselves favourites for the finals. But last night although they led 16-12 at the interval, China allowed America to outscore them in the next period to tie the count, and in the extra five minutes Lock proved too deadly a shot to edge China out of the Championship.

The teams were obliged to play an extra period of five minutes, and again Lock distinguished himself. He threw in a basket to give America the lead, Tsai countered, and then the giant Marine dropped in two more field goals to make the score 36-33 at the final whistle, to allow America to retain the trophy for another year.

AMERICA

	fg.	ft.	pf.	pts.
Lock, f.	4	7	0	15
Lamken, f.	0	0	3	0
Breazeale, f.	3	0	1	6
Ryan, c.	2	0	2	4
Paulos, g.	2	2	1	6
Carson, g.	2	1	4	5
Foster, g.	0	0	0	0
	13	10	11	36

CHINA

K. Z. Ying, f.	0	1	2	1
T. Y. Han, f.	0	0	0	0
N. H. Feng, f.	3	4	1	10
Y. Y. Kwong, c.	0	0	1	0
D. Y. Chow, c.	2	0	1	4
N. T. Wang, g.	3	2	2	8
Y. Y. Tsai, g.	3	1	3	7
T. G. Chen, g.	1	1	4	3
	12	9	14	33

1st half:—America 12, China 16.
2nd half:—America 19. China 15.
Extra period:—America 5, China 2.
Referee and Umpire:—Al Huebner and K. S. Chang (alternating).

Junior Championship

In the Junior International Basketball Championship on Mar. 10, Russia managed to overcome Japan once again to clinch the title. The winners played well in the first half to take a 17-5 lead, but in the next period Japan outplayed and outpointed the Russians but could not quite catch us, losing 28 points to 17. Korenersky and Stepkin were the best for the winners, while Watanabe was the best shot for Japan.

LOUIS TO FIGHT IN LONDON

New York, Mar. 12.

Joe Louis, the "Brown Bomber" of Detroit, will be seen in action in London this summer as the result of an arrangement concluded between Mike Jacobs, the famous promoter, and Brigadier-General Critchley, of Harringay Arena.

The negro heavyweight, according to Jacobs to-day, will leave for England after his bout with James J. Braddock, the titleholder, scheduled to take place at Chicago on June 22.

Louis will fight "the best man available," probably Max Baer, former champion, who is already in London preparing for his fight against the winner of the British and Empire heavyweight title contest between Ben Foord, the holder, and Tommy Farr, of Wales.—Reuter.

HOME SOCCER RESULTS

Following are the results of the Association Football League matches up to date:—

SCOTTISH CUP (4TH ROUND)

Celtic, Motherwell (postponed)
Morton 4, Queen of South 1
St. Mirren 0, Clyde 3
Hamilton, Aberdeen (postponed)

ENGLISH LEAGUE, 1ST DIVISION

Arsenal 1, Liverpool 0
Birmingham 4, Brentford 0
Charlton A. 3, Manchester U. 0
Chelsea 0, Wolverhampton W. 1
Grimsby Town 5, Sheffield W. 1
Huddersfield 1, West Bromwich 1
Leeds United 3, Arsenal 4
Liverpool 1, Preston N. End 1
Manchester C. 3, Huddersfield T. 0
Middlesbrough 2, Bolton W. 0
Portsmouth 3, Sunderland 2
Preston 3, Grimsby 2
Stoke City 1, Derby County 2
West Brom A. 2, Everton 1

2ND DIVISION

Barnsley 1, Nottingham F. 0
Blackburn R. 2, Swansea Town 1
Blackpool 4, Bradford City 2
Bradford 0, Plymouth A. 0
Bradford City 2, Tottenham 2
Bury 2, Southampton 1
Leicester City 7, Burnley 3
Newcastle U. 4, Coventry 2
Norwich C. 2, Doncaster R. 1
Sheffield U. 5, Chesterfield 0
Tottenham H. 2, Aston Villa 2
West Ham U. 3, Fulham 3

3RD DIVISION (SOUTH)

Bristol City 2, Gillingham 0
Cardiff City 2, Bournemouth 1
Clapton Orient 1, Millwall 0
Crystal Palace 2, Brighton & H. A. 0
Exeter City 2, Watford 1
Luton Town 3, Northampton T. 3
Milwall 0, Notts 0
Notts County 3, Swindon Town 3
Queen's Park R. 6, Newport County 2
Reading 2, Southend United 3
Torquay United 5, Aldershot 1
Walsall 5, Bristol Rovers 2

3RD DIVISION (NORTH)

Barrow 3, Gateshead 0
Carlisle United 2, Wrexham 1
Chester 4, New Brighton 1
Crewe Alexandra 2, Lincoln City 1
Halifax Town 0, Oldham Athletic (Postponed)
Hartlepools U. 2 Stockport C. 4
Mansfield T. 2, Accrington S. 1

Sunderland and Wolves Tie Again

London, Mar. 10.

Despite extra time, Sunderland and Wolverhampton played to another draw to-day in the F.A. Cup.

The match, a replay in the quarter-final, produced four goals, equally shared by the two teams.

In the third round of the Scottish Cup, Duns succumbed to Motherwell by five goals to two at Edinburgh.—Reuter.

Rochdale 4, Hull City 0
Southport 4, Rotherham U. 1
Tranmere R. 4, Port Vale 2
York City 3, Darlington 0

SCOTTISH LEAGUE, 1ST DIVISION

(Owing to Cup-tie matches and grounds being unfit for play no games took place)

2ND DIVISION

Alloa 2, Brechin City 2
Dumbarton, Raith Rovers (postponed)
East Fife, Ayr United (postponed)
E. Stirling 7, Stenhousemuir 2
Edinburgh C., Dundee U. (postponed)
Forfar Ath. Cowdenbeath (postponed)
King's Park 1, Airdrieonians 3
Leith Athletic, Montrose (postponed)
Morton, St. Bernards (postponed)

AMATEUR INTERNATIONAL
(Played at Dulwich)

England 0, Scotland 1 —Reuter.

League Standings

Following are the full league standings up to date:

ENGLISH LEAGUE, FIRST DIVISION

	P.	W.	D.	L.	F.	A.	Pts.
Arsenal	32	16	10	6	71	42	42
Charlton Athletic	32	16	10	6	46	36	42
Middlesbrough	32	17	6	9	63	51	40
Brentford	31	15	8	8	65	55	38
Portsmouth	32	15	8	9	53	48	38
Derby County	32	16	6	10	73	69	38
Manchester City	30	13	10	7	65	48	36
Sunderland	31	15	4	12	63	60	34
Wolverhampton W.	30	15	3	12	61	47	33

SECOND DIVISION

Blackpool	33	22	4	7	81	39	48
Leicester City	33	18	6	9	71	49	42
Plymouth Argyle	33	16	10	7	62	42	42
Bury	34	17	8	9	54	47	42
Fulham	34	14	10	10	61	51	38
Sheffield United	33	15	8	10	56	41	38
Aston Villa	32	13	11	8	66	49	37
Coventry City	32	13	10	9	46	38	36
West Ham United	32	14	7	11	58	51	35

THIRD DIVISION (SOUTH)

Notts County	32	17	9	6	60	46	43
Brighton & H.A.	32	19	4	10	60	35	43
Luton Town	31	19	3	9	70	41	41
Watford	33	15	9	9	65	45	39
Queen's Park R.	33	15	8	10	61	33	38
Southend United	32	14	9	9	63	51	37
Millwall	30	15	6	9	52	34	36
Reading	31	13	9	9	59	47	35
Northampton T.	31	15	5	11	64	50	35

THIRD DIVISION (NORTH)

Chester	33	19	7	7	71	42	45
Stockport County	32	16	11	5	63	32	43
Lincoln City	31	19	5	7	70	46	43
Oldham Athletic	30	14	9	7	60	43	37
Hull City	33	14	9	10	52	53	37
Port Vale	34	15	7	12	48	50	37
Hartlepool U.	32	15	5	12	57	52	35
Wrexham	31	12	8	11	54	47	32
Carlisle U.	32	13	6	13	47	53	32

SCOTTISH LEAGUE, FIRST DIVISION

Rangers	31	21	6	2	70	25	50
Aberdeen	31	20	6	5	74	36	46
Hearts	31	20	3	8	63	45	43
Celtic	31	18	7	6	74	40	43
Falkirk	32	18	4	10	89	56	40
Third Lanark	33	18	4	11	69	56	40
Motherwell	29	15	5	9	65	47	35
Dundee	31	11	11	9	51	59	33
Hamilton A.	30	14	3	13	69	75	31

SECOND DIVISION

	P.	Pts.
Ayr United	29	50
Morton	29	44
St. Bernards	29	44
Airdrieonians	29	38
Cowdenbeath	28	33
Raith Rovers	28	31
East Stirling	29	31
East Fife	29	30
Stenhousemuir	30	28

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SHANGHAI LAW REPORTS

H. M. SUPREME COURT

Alleged Breach of Promise

NADIA VASSIELEVSKY *v.* ABRAHAM SANSOM

20-YEAR Old Russian Girl Sues for $2,500 Damages. Claim for Half of Trousseau.

COUNSEL: Mr. K. E. Newman for plaintiff: Mr. J. R. Jones, for defence.

Before Judge P. Grant Jones

(Judgment Reserved)

Contending that Mr. Abraham Sansom had asked her to marry him when she was seventeen years old, and that he later refused to do so, 20-year old Miss Nadia Vassielevsky appeared in H. M. Supreme Court on March 9 to give evidence on her own behalf in a claim for $2,500 for special and general damages arising out of a breach of promise. As she is a minor, she brought the suit by her next friend, Miss Zenda Petrofena da Luz. Plaintiff was represented by Mr. K. E. Newman, and the defendant by Mr. J. R. Jones.

The statement of claim, read out by Mr. Newman, alleged that during July, 1934, the plaintiff and the defendant verbally agreed to marry each other, and in September the wedding was fixed for October 20, 1934, at H.M. Consulate-General, the consent of the girl's mother being obtained. On October 15, however, Miss Vassielevsky went to hospital with typhoid, and remained there till February 25. Two days later, Mr. Sansom wrote to the mother saying he did not wish to marry Miss Nadia; he still refused to do so. Included in the claim before the Court was an item for $500, comprising half the money she had spent getting a trousseau together.

The statement for the defence, went on Mr. Newman, contended that Mr. Sansom only tentatively agreed to marry her at a later date. It was contended further that Miss Nadia made it a condition of their marriage that the ceremony also be held in a Roman Catholic church and that her grandmother was to live with them. Defendant said that he agreed to marry her on condition that she was and would remain fit and healthy enough to be his wife and capable of marriage without danger to her life, that a reasonable time be made for the performance of the marriage, and that he should be in a position to support her; he now contended that she was not fit and healthy enough to be his wife, that a reasonable time had not elapsed for the performance of the marriage before the writ was filed, and that he was not in a position to marry her. The writ was filed in May, 1936.

In March, 1936, the statement for the defence continued, she refused to marry him and discharged him of his promise. He was still ready to marry her, and denied the item of $500 for special damages, and contended that if the items were purchased for the trousseau that he gave her mother $600 with which to purchase linens, etc., for their home.

"Your Cave-Man"

Mr. Newman then read selected passages from letters written by Mr. Sansom, on holiday in Japan, to Miss Vassielevsky, on holiday in Tsingtao, during 1934 shortly after they met. Mr. Newman contended that these letters showed that they were in love at the time, and showed their intention of marrying, quoting "your big boy," "your cave-man," "Lady Sansom," "call yourself Mrs. Sansom and see how it sounds," and a lengthy passage in which Mr. Sansom said that he longed for home life without the "nonsensical Shanghai night life."

"A very sensible sentiment," commented Judge Grant Jones.

On February 27, 1935, however, Mr. Sansom wrote to the mother saying that he now looked on Miss Vassielevsky "as a child" and "a friend," and did not wish to marry her.

The facts of the case, said Mr. Newman, were as follows:—Plaintiff was an infant in the eyes of the law and a Russian citizen. She met the defendant in June, 1934, when she was asked by a mutual friend to join a party of four—two men and two girls—on a week-end house-boating party on the river. They continued to see each other regularly after that date. He asked her to marry him on several occasions, and she tentatively accepted him.

Ring Ordered

Later, a ring was ordered from the jewellery firm of Tuck Chang; some delay was experienced in getting the ring, owing to the suicide of the proprietor of the shop in the meanwhile, but they eventually secured it, the total cost of the ring being between $200 and $300. Mr. Sansom got the necessary licence from the Chinese authorities for her to marry and notice was given to the Registry of H. M. Consulate-General.

Mr. Newman asked the Court to disregard defendant's plea that she was not fit for marriage, as medical evidence would be given on this point later. After defendant's letter to her mother in February, 1935, Miss Vassielevsky tried to see Mr. Sansom on numerous occasions, but he refused to see her until March, 1936, when he definitely refused to marry her.

"The fact of the matter is, the defendant has changed his mind and now tries to get out of an obligation by this legal defence," asserted Mr. Newman, "and it is not sincere. The fact that the defendant has never asked for any medical examination of the plaintiff puts him out of Court, in my contention. The allegation by the plaintiff that she is fit and willing to marry puts the burden on the defendant to prove she is not."

Dealing with the defence, Mr. Newman said he had never before heard such a remarkable proposition as that the plaintiff would remain healthy and fitting and was capable of marriage without danger to her life.

"An arguable point, that!" commented Judge Grant Jones, "a man does not want a funeral on his hands!" He asked Mr. Newman what he thought the probabilities were of a man marrying a woman when there was the possibility according to the doctor of her dying with the birth of her first child. Mr. Newman replied that it was impossible for anyone to give a warranty of his or her health at a future date. After dealing at length with the law on breach of promise cases, he then called the plaintiff into the witness-box.

"Didn't Even Kiss Him!"

Miss Vassielevsky said she left school at the age of 15, and was working in Shanghai when she met the defendant. Describing the house-boat trip, she said that owing to the heat they all slept in a row on the fore-deck of the houseboat, under one mosquito-net. She strenuously denied that any intimacy occurred that night between her and the defendant. "I didn't even kiss him!" she replied.

They met several times after that, frequently at the Race Course in the evenings, and eventually he asked her to marry him. She did not exactly accept his proposal, and on her mother's advice went to Tsingtao to consider the matter. She found she was in love with him, and accepted his proposal on her return. She repudiated defendant's suggestion that she made it a condition of their marriage that her grandmother should live with them; she never suggested it, and declared that her grandmother would not do so even if she was asked.

Defendant agreed to the marriage in the Roman Catholic church, and went with her to see the priest to arrange the necessary formalities. She spent $1,085 on linens and dresses for her trousseau with money advanced her by her mother, and was now only claiming half this amount as special damages. She had had the use of the various articles purchased, including fourteen dresses which she still had and was willing to produce in Court if necessary.

Second Day's Hearing

Mar. 10.

"Nowadays you cannot to surprised at anything," commented Mrs. Zenoida P. da Luz when she was asked by counsel for the defence if she were surprised at the desire of her daughter, then 17 years old, to be married.

The plaintiff alleged that during July, 1934, they verbally agreed to get married, and that in September arrangements were made for the wedding to be held in October. She went to hospital with typhoid fever five days before the date of the wedding, and when she was convalescent in February, 1935, Mr. Sansom said that he had changed his mind. In his defence, Mr. Sansom has alleged that he only promised to marry the plaintiff when she represented to him that she was in a certain condition as a result of earlier intimacies, and that when, as a result of a medical examination made while she was in hospital, this was found not to be the case, he considered his promise no longer binding.

Continuing her examination in chief, Miss Vassielevsky said that she was very ill, but Mr. Sansom came to see her frequently, bringing flowers, chocolates and books. He saw her once after she came out of hospital, and then wrote a letter to her mother, saying he now looked on Miss Nadia as a child. "I rang him up and told him to come and see me," she went on, "and he said he wouldn't. He told me to go see a lawyer."

"It was not a euphemism for another place, was it, Mr. Newman," asked Judge Grant Jones.

"I trust not!" quickly replied her counsel, "She might not find any lawyers there!"

In the early part of 1936 she called on him at his quarters twice, accompanied by a friend named Miss Kouchevsky. The second time he said he had changed his mind about marrying her, and that he did not want to marry anyone; he did not love her any more.

Cross-examined: No intimacies took place on the houseboat week-end trip, when she first met him, and when the party of two men and two girls slept on one mattress on the fore-deck. She did not sleep all night, as she was afraid of the moon, but denied that Mr. Sansom woke up and offered to protect her. She did not even kiss him.

"Not a very pleasant house-boat trip, then?" remarked Mr. Jones.

"That depends on your standards," remarked Judge Grant Jones, while Mr. Newman loudly commented: "Don't judge other people's parties by your own, Mr. Jones!"

She informed him of what she believed was her condition in the early part of September, as a result of their intimacy during the latter part of August. She was anxious to marry him because she loved him.

Question of Freedom

"Were you then anxious to lose your freedom so early? asked counsel for the defence.

Before she could reply, Judge Grant Jones remarked: "They don't lose their freedom, Mr. Jones, we do!"

The next witness, Miss Galina Kouchevsky, said that she had known Miss Nadia since childhood, but during the summer of 1934 was in Dairen. She received a letter from the defendant, whom she had not yet met, but who said he was writing to her as "Nadia is too busy" and had promised him a kiss if he would write. Mr. Newman caused some laughter in Court when he read out selected passages to show that both parties were in love at the time (August 27, 1934,) and expected to get married:—

Nadia is in love at last, believe it or not, and you should see the fool she is in love with. They make a very good pair, in fact they should be in a Zoo.... You must come back in time for the wedding....Don't know when the day will be, but we are saving all the ten cent pieces we can get.

Miss Galina said she returned to Shanghai in December that year, and met the defendant at the hospital. In 1936 she went with Miss Nadia to see Mr. Sansom on two occasions, but he did not seem pleased at the visit, and told her he did not wish to marry her. She said, under cross-examination, that they ordered "whiskies and brandies" when asked if they wished to drink something, but maintained that this was merely a joke and that, in fact, they did not drink anything.

Mrs. da Luz said that Mr. Sansom was first introduced to her in July, 1934, when he came to see her daughter; she, the mother, had married again. She and Miss Nadia went away to Tsingtao for the summer, and her daughter returned to Shanghai earlier; on her own return, in September, Mr. Sansom asked her and her husband for permission to marry Miss Nadia and this was given. Mrs. da Luz's account of defendant's actions after her daughter left hospital corroborated the account given by her daughter. She was not surprised at her daughter's sudden decision to get married, and said that no reason was given her by her daughter; Miss Nadia discussed her affairs with her mother "as much as any daughter could with her mother."

Mrs. Lucy Judah, the mother's sister, said that she was told by the plaintiff that she was engaged to Mr. Sansom and that later Miss Nadia confessed that "she was in trouble." When she went to hospital, Mrs. Judah was asked by the defendant to inform the doctor of what they believed was "the trouble."

The Defence

Opening for the defence, Mr. Jones said that the defendant would deny that the plaintiff and he verbally agreed to get married in July, or that he became intimate as a result of his promise to Miss Nadia on August 20, 1934, that he would marry her. With regard to the letters that Mr. Sansom had written to her while they were away on holiday, Mr. Jones said that "they were the letters of a man who had been through emotional experiences and was in love," but not that they implied any mutual agreement that they would get married.

Until Miss Nadia made certain representations to him, he had not made up his mind about marrying her, and only agreed to marry her after she had spoken to him about what she thought was the matter. A medical examination was made while she was in hospital with typhoid fever, and his instructions were that there were no symptoms of any such trouble.

Third Day's Hearing

Mar. 11.

A large crowd listened attentively to the third day's hearing and at times there was standing room only in the court-room. During the course of the earlier part of the hearing, Judge Grant Jones threatened to have ejected anyone audibly showing signs of amusement, rebuking the spectators, who were mostly women, when they tittered at several passages read out from letters between the defendant and the plaintiff.

Dr. Boris Iasinsky, the last witness for the plaintiff, said that she was his patient from October, 1934, to February, 1935, and that she had typhoid fever with complications which included double pneumonia. He examined her in June, 1936, when her health was much improved and she was fit to marry, although her legs were not quite normal. Under cross-examination; she might have had a relapse later, after two or three years or even more.

Mr. J. R. Jones, counsel for defence, concluding his opening commenced the day before, said that the wedding was fixed for October 20, 1934; she went to hospital on October 15. For four or five months she lay in hospital, and another four or five months elapsed before the mother telephoned Mr. Sansom and asked him what he intended to do. One of the important questions the Court would have to decide was, what was a reasonable time after the proposed date of the wedding in order for the promise to marry to be still binding.

Houseboat Party

Entering the witness-box, Mr. Sansom said that he first met Miss Nadia when they went on a house-boat party over the last week-end in June, 1934; the party consisted of two men and two girls. He said that that night intimacy occurred, and that after that date he met her regularly, generally at his quarters (this was denied by the plaintiff). She then went on holiday to Tsingtao, and he to Japan, and he wrote her a number of letters; as yet he had not proposed marriage, although he was beginning to think of it. "I was very passionate towards her."

By August, both had returned to Shanghai, and they met several more times, until finally on August 29 they quarrelled, and "there was a tacit agreement our association was finished." Two days later, she telephoned him, they met again, and she said she thought she was pregnant. The next day, she said she was almost certain. "I suggested we get married as soon as possible. I don't like a child to be born out of wedlock. I have very strong views on the matter of maternity. She accepted my proposal in quite a casual way."

Miss Nadia, he went on, wanted a marriage in a Roman Catholic Church, and he objected to this, as he did not want his children to be brought up in that faith. She also wanted her grandmother to live with them to nurse the child. "She threatened to have the child born out of wedlock if I did not agree to her conditions; I resigned myself to my fate." After she had recovered from typhoid fever, she called on him, and he told her he was still prepared to marry her, but not on the same conditions. She replied:—"I knew you would say that. Never mind, it is all my fault." If she was to marry at all, however, it would have to be in her own church. He thought it would still be at least two years before she would completely recover.

"Pachydermous"

Mr. Sansom was then put through a long cross-examination by Mr. K. E. Newman, plaintiff's counsel, who commenced by questioning him about the alleged intimacy on the house-boat. Mr. Sansom said that while the other couple slept under a mosquito-net, he did not; the girls were supposed to sleep in the cabin, but preferred to come up on deck. "Mosquitoes don't worry me," he continued.

"H'm, pachydermous," commented Judge Grant Jones, with a smile.

With regard to the letters, he said these were couched in the terms they were because she had told him her mother might want to read them. Terms such as "big-hearted baby" and "your cave-man" were for the mother's benefit, he continued, while "lady Sansom" and "Mrs. Sansom" referred to a suggestion that he provide a flat for Miss Nadia's use.

He did not go to see the girl after she had left hospital, as the sight of her debilitated condition shocked him tremendously, and he was almost a nervous wreck as a result of the worry he had gone through while she was ill.

Mr. Newman:—"Are you still suffering from nervous trouble?"

Mr. Sansom:—"I don't think that smirk is necessary!"

"A Beautiful Girl"

Questioned further about his letters, which Mr. Newman said expressed sentiments that were reasonable and restrained and were the letters of a man to the girl he was going to marry, defendant said there had been no proposal of marriage yet, but "she had a physical attraction for me. She was, in my opinion, a beautiful girl. I longed to get back to her."

Later, the Judge commented:—"They are the ordinary love-letters of an ordinary man to an ordinary woman, and no man need be ashamed of them."

Mr. Sansom denied ever repudiating his promise to marry her, but said that he refused to have anything to do with the mother because she had abused him over the telephone, and told him she would "fix" him. He did not believe that the breach of promise suit was instituted by Miss Nadia, but believed "it was owing to the machinations of other interested parties."

Mr. George W. Robins and Sub-Inspector Walter Moore were called by the defence, and gave evidence as to their having seen Miss Nadia in the defendant's quarters several times prior to their departure on holiday in July. Sergeant C. R. Jones said that he was present at a visit paid by Miss Nadia to the defendant in the early part of 1936, when "the general attitude seemed to be that of a happy little party."

Fourth Day's Hearing

Mar. 12.

"Any man who could, on oath, make statements such as he has done is, I submit, a man upon whose evidence no real credibility can be imposed or believed," asserted Mr. Newman in the course of an attack on defendant's demeanour. Mr. Newman went on:—"M'lud, I think that possibly the defendant did not think many times before he answered my questions, but I do say that the general result of his evidence in cross-examination is such that you can place no reliance, no real reliance, whatever on any single thing he said, and I am sorry to have to say that."

A large and attentive crowd listened intently all morning to the summing-up of counsel on both sides; judgment was reserved by Judge Grant Jones.

Summing-up for the defence, Mr. Jones said that the only case he had to answer was in connection with the claim for damages in respect of the alleged breach of the promise in September, 1934, whereby the plaintiff and defendant verbally agreed to marry at H.M. Consulate-General in October that year. Various defences had been put forward, but he was going to concentrate on three.

The first was that the promise was induced by a misrepresentation by the plaintiff when she told Mr. Sansom she was pregnant as a result of their intimacy, and a mutual mistake of fact. Alternatively, he would plead that the plaintiff, as a result of a severe attack of typhoid fever, with attendant complications, which kept her in hospital for several months, suffered from an infirmity and did not marry Mr. Sansom within "a reasonable time on request."

Burden of Proof

Explaining this, he said the marriage had been fixed for October 20. On October 15 she went to hospital, and the agreement to marry then became an agreement to marry within a reasonable time on request. Her infirmity came about after the promise to marry, and the defendant was justified in not keeping that promise; the burden of proof was on the plaintiff to show that she was fit and ready to marry within a reasonable time from the original date fixed for the wedding. The third ground of the main defence would be that the defendant was exonerated from his promise.

Miss Nadia had not discharged her onus of proving that she was physically fit for marriage within a reasonable time, he submitted. On the third ground, Mr. Sansom had testified that he was exonerated from his promise during one of two meetings he had with Miss Nadia in the early part of 1936. There was a conflict of evidence on this point, but he thought there w s sufficient to show that the plaintiff and a girl friend went to Mr. Sansom's quarters without any hesitation and it was "rather a merry little party."

On the subject of the $500 claimed for special damages, representing about half the amount spent on the trousseau, Mr. Jones pointed out that these articles were bought by the mother and she admitted that she "gave them as a present to her daughter"; a man who was going to get married had nothing to do with his intended wife's trousseau, and even if they were not married in the end, she still had the use of the clothes. Furthermore, the defence maintained that a sum of $600 had been given by Mr. Sansom to Miss Nadia to buy a wedding dress and accessories, and he therefore submitted that the claim for special damages had to fall to the ground.

"A Reasonable Time"

He submitted that the evidence all went to show that the promise to marry had been based on a misrepresentation and a mistake of fact, as the girl was not really pregnant and did not give birth to a child; that a period of eighteen months which expired between the date fixed for the wedding and when Miss Nadia first called on Mr. Sansom was more than "a reasonable time"; and that in view of the fact that she

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was not yet fully recovered, and that the doctor had given evidence to the effect that a relapse was possible after two or three years, the defendant was justified in not keeping his promise.

For the plaintiff, Mr. Newman said he laid stress on the fact that there was an unconditional promise to marry following upon a general statement of belief by Miss Nadia that she was pregnant; that there was then a definite arrangement or promise to marry on a certain date which was impossible to carry out due to the illness of the plaintiff; that this was followed by Miss Nadia's attempts to get the defendant to carry out his promise within a reasonable time after her recovery; and that these were met by a refusal by the defendant on the ground of a loss of affection. "If I can satisfy your Lordship that this is the state of affairs, my client is entitled to substantial damages."

"I also wish to comment generally in connection with the evidence given," Mr. Newman said. "My learned friend, wisely, has refrained from commenting on the evidence. There has been an extraordinary conflict, even more than one is accustomed to in this court."

Judge P. Grant Jones agreed.

Conflict of Evidence

Mr. Newman felt it therefore incumbent on him to say something about the demeanour of the two principal parties in the case. No real credibility could be placed on Mr. Sansom's evidence, and no real reliance whatever could be placed on "any single thing he said." "There is a conflict of evidence on that question of aggravation of damages. I put to the defendant the question 'Why do you suppose that the plaintiff denies intimacy taking place at the time when you said it did (the occasion of their first meeting)?' His answer came pat, 'Because she would lose her case.' That is what he thought would be the result of his being able to impugn her statements, and I say, having regard to the rest of his evidence, you cannot believe him at all, especially as the plaintiff has come and admitted what is, as it is to any girl, something which reflects very gravely on her character."

He continued to attack Mr. Sansom's evidence, but was interrupted by Judge Grant Jones, who said:—"I don't think you need address me further on the unreliability of the defendant's evidence. I have made up my mind on that point."

Regarding Miss Nadia's alleged unfitness, Mr. Newman said that she had discharged her onus of proof when she said she was fit. The defendant should then have asked for a medical examination. Instead he said he no longer loved her, and Mr. Newman suggested that the alleged unfitness was only an after-thought. He submitted that there had been no misrepresentation such as the defendant alleged had made his promise to marry her. Miss Nadia told him "she believed she was pregnant," and this was a true statement, as she did believe that; for it to have been misrepresentation, she would have had to have said "I am pregnant," which would have been a misrepresentation of an existing fact.

The plaintiff was entitled to damages on the grounds he had set forth in his opening remarks. The claim for $2,500 was not an unreasonable one, and he asked Judge Jones, if he came to the conclusion that damages could be awarded, to award that amount.

Mr. Jones saying he did not wish to say anything further, judgment was reserved.

H. M. POLICE COURT

Traffic Cases

S.M.P. v. A. W. MARTIN AND MRS. F. B. FOCKEN

FAILURE to observe S.M.C. Traffic Rules.

Before Mr. C. H. Haines, Registrar

(Fines imposed)

Mr. A. W. Martin and Mrs. F. B. Focken were each fined five shillings by Mr. C. H. Haines, Registrar, in H. M. Police Court on March 9 for causing their cars to wait during prohibited hours. Neither defendant was present, both pleading guilty in letters to the Court.

U.S. COURT FOR CHINA

Traffic Cases

S.M.P. v MRS. R. E. CHAMBERS AND J. M. RACHAL

FAILURE to observe S.M.C. traffic rules

Before Mr. W. Collins, Commissioner

(Fines Imposed)

Traffic cases were heard on March 12 by Mr. William Collins, Commissioner, in the United States Court for China. For a parking violation in Avenue Edward VII on February 19, Mrs. R. E. Chambers was fined U.S. $1. Mr. J. M. Rachal was fined U.S. $1 for a parking violation in Love Lane.

FRENCH CONSULAR COURT

Bread Weight in Dispute

F.M.C. v. PIERRE TCHAKALIAN

SALE of Bread Alleged to be Short in Weight.

COUNSEL: Mr. Paul Premet, for defence.

Before M. G. Beauroy, Chancellor

(Hearing Adjourned)

M. Pierre Tchakalian, licensee of Tchakalian Bros., French Bakery, 1117 Bubbling Well Road, appeared before M. G. Beauroy, Chancellor of the French Consulate, in the French Police Court on March 11 on a charge of having sold short-weight bread. The case was adjourned to next week.

Representing the defendant, M. Paul Premet asked that the case be dismissed on the ground that the licence was not given to P. Tchakalian individually, but the French Bakery, Tchakalian Bros., and according to the French Penal Law, any criminal prosecution must be individual and personal and also any penalty can not be imposed but on the individual who has personally committed the offence. P. Tchakalian was named in the licence only in his capacity of representative of an association or company known as "Tchakalian Bros." and therefore could not be prosecuted individually according to the French Law.

M. Premet also denied the charge, saying that the shop had never asked of customers for an 8-ounce bread the price quoted for a 10-ounce bread. The customers had never been deceived.

A witness, Mr. Tronoff, said that M. Pierre Tchkalian was not in charge of the shop and was never present. He also denied having deceived any customer by selling short-weight bread.

FIRST SPECIAL COURT

Spaniard Fails to Appear

What might have been a test case involving the trial of a Spanish citizen by a Chinese Court failed on March 8 when the Spaniard failed to attend the hearing. On March 2, the Ministry of Foreign Affairs announced in Nanking that in view of the present absence of Spanish diplomatic and consular representation in China, the Chinese Government had decided to assume jurisdiction over all Spanish nationals in China. A number of cases involving Spaniards are now pending in the Chinese Courts.

The case took the form of a civil action brought by a Mr. A. K. Michael, a Greek, against Mr. J. A. Valles, a local Spanish citizen, and was set for hearing in the First Special District Court at 9 a.m. on March 8. When the hour for the hearing arrived, the plaintiff, his counsel, the judge, and all the court officials were there, but Mr. Valles was an absentee. The hearing, after a short discussion, was postponed to March 18.

Mr. Ngai Tchen-ling, of the law office of M. Paul Premet, appeared as plaintiff's counsel, and told the Court that his client had brought the action against Mr. Valles in accordance with the recent edict of the Ministry of Justice to the various courts, the Chinese Government having decided to assume full jurisdiction, for the time being at least, over all Spanish citizens.

Spain has had no consular or diplomatic representation in China since Senor Julio Larracoechea, acting Consul-General for Shanghai and concurrently Chargé d'Affaires resigned towards the end of last October. Prior to this, Senor Justo Garrio y Cisneros, Spanish Minister to China for many years, and Senor Muniz, Secretary of the Spanish Legation, both sent their resignations to Madrid and offered their allegiance to the insurgent junta at Burgos. A message from Madrid on October 7, 1936, said that Senor Garrido y Cisneros had "been removed from the rolls of the diplomatic corps, with the loss of all diplomatic rights." Since then, no attempt has been made to secure Spanish consular or diplomatic representation in China.

Shanghai Bank Explosion

Zee Tso-ling, boiler attendant of the Shanghai Commercial and Savings Bank, Kiangse Road, who was ordered to be detained by the First Special District Court after the explosion of boilers at the premises which resulted in two persons being killed, was formally charged by the police with negligence causing death on March 8 and remanded.

Mr. Paul Y. Ru, Assistant Municipal Advocate, prosecuting, told the Court that during the period of remand the police made inquiries and found out that through negligence, the accused failed to open the safety valves, thereby causing the boiler for steam radiators to explode, killing two persons. In the opinion of the police, Mr. Ru said, the accused should be held responsible because first he should have opened the valves and secondly the accident might have been avoided had the accused not asked another one, who knew nothing about the boilers, to take care of them.

Two boiler experts, Mr. Eric Davies, and Mr. J. A. Mason had given their opinion regarding the explosion and it agreed with that of the police as far as that, if the valve were not closed, the accident might have been avoided and that if the accused had attended to his duty himself, he would have opened the valve, Mr. Ru said.

Drug Offenders Sentenced

Eight narcotic offenders were sentenced to 12 years' imprisonment each, two others got 13 years each, one was sent to gaol for 14 years and another received a prison term for 15 years, in the First Special District Court on March 10. The sentenced persons were arrested in three groups by detectives from Gordon, Louza and West Hongkew, Stations respectively. One group of 13 persons were arrested for smoking red pills in an unnumbered straw hut off Tonquin Road. Eight of them were sentenced, the others being acquitted. Another group of four men were caught in the act of smoking heroin in 206 Thibet Road.

Five more Chinese narcotic offenders were sentenced on Mar. 9. A man and a woman were sent to gaol for twelve years each, charged with smoking morphine in House No. 87, Lane No. 646, Boone Road. Three others arrested in the same house received prison terms raning from six to eight months each. Four other men charged in the same case were acquitted.

Alleged Extortioner Charged

Two additional charges of extortion were preferred by the S.M. Police in the First Special District Court on March 9 against Sung Sau-ching, who had previously been accused of extorting $40,000 from Wu Tung-yoong by instigating Wu's sister to bring a criminal action against him in connection with the alleged misappropriation of property left by Wu's father.

Outlining the case in connection with the new charges, Mr. Paul Y. Ru, Assistant Municipal Advocate, stated that, by similar method, the accused obtained $5,000 from Yao Tse-tsung in House No. 28, Lane No. 56, Medhurst Road, in 1931. Yao Yueh-po, the complainant's uncle who was involved in a dispute with the complainant over some property, was utilized as tool by the accused who instigated him to sue his nephew in court unless the latter offered a sum of money. Eventually, the complainant produced $5,000, of which his uncle received only $1,500, the balance being obtained by the accused it was alleged.

In 1935, Mr. Ru continued, the accused threatened to stir up Court action against one, Zee Mer-tsong, who was alleged to have had illegal relationship with Miss Pan Hsueh-yen, an actress. To avoid publicity in the newspapers, Zee offered $19,000, of which the major portion was again obtained by the accused, Mr. Ru stated.

As at the previous hearing, the accused, questioned, denied the charges. The accused's wife, who was also questioned by the Judge, after which she was ordered to be detained on suspicion of having assisted her husband in the alleged extortions. The hearing was adjourned till next week.

Gruesome Find in Drain

Among the bodies removed to the Public Mortuary on March 8 for inquest was the head and a part of the body of a deceased child, name and address unknown, which was found lying in a cement concrete drainage pipe off Meichow Road, near Ward Road, by C.P.C. No. 3185 attached to Yangtszepoo Police Station.

Police evidence during the inquest was to the effect that, after the gruesome discovery, the detectives made inquiries among the straw hut occupants, but no information was obtained to establish the identity of the deceased. It appeared certain, however, that the decomposed head had been bitten by wild dogs.

The Procurator who conducted the inquest ordered the body and head to be removed by Chinese charitable body for burial and returned a verdict of death due to natural causes.

CHARGED with abandoning an infant son, Kaung Siau-keu, aged eight months, Kaung Eur-ching, a coolie, and Ksung Tsang-sze, the coolie's wife, were ordered to be detained for one week by the First Special District Court on March 13. The abandoned child was found by a Chinese in Lane No. 1027 East Seward Road. The Chinese reported to the police, who removed the child to a hospital where it died soon after being admitted. The child's parents were later located and charged.

FOREIGN TELEGRAMS

BRITISH TRADE IS SAFE WITH STRONG NAVY

First Lord Gives Commons an Inspiring Description of Admiralty's Replenishment Programme

London, Mar. 11.

THE House of Commons to-day, by 152 votes to 57, agreed to the Navy Estimates after listening to an inspiring description of Great Britain's efforts to reorganize her Navy by the First Lord of the Admiralty, Sir Samuel Hoare.

He said the Navy was forced, owing to past inaction, to telescope into two or three years what normally would be carried out in a decade. Now the House was asked to approve an expenditure of over £100,000,000 and a construction programme of eighty new ships.

The demand, Sir Samuel continued, meant that at the end of the year Great Britain would have under construction the remarkable number of 148 new ships, including five capital ships, four aircraft-carriers and seventeen cruisers. All in the Admiralty were determined to avoid any unnecessary delays.

Sir Samuel devoted the major portion of his speech to answering three principal questions:—

1. Were they building the right kind of fleet for the new conditions?
2. What was the naval policy behind the programme?
3. What was the future of naval armaments?

There had been continuous efforts to learn the lessons of the war and to keep abreast of subsequent developments. As the result of large and small scale experiments the new ships would bear the impress of the concentrated attention of the last eighteen years. The designs of the new ships were based upon the lessons of the war and the experiments, including those into effect of explosives.

Before the five battleships were laid down there were no less than eighteen separate designs, tested from every possible angle.

Question of Right Sort of Fleet

The fleet of the future had to take into account.

1. Danger of air attack.
2. Safety of bases.
3. Vulnerability of communications and, particularly, of narrow seas, and
4. Offensive power.

The year 1914 caught the Navy in a dangerous transition stage and before it had had time to organize against new forms of attack. They had had seventeen years in which to develop counter-action. These included the fullest use of air power and the production of anti-aircraft weapons on a scale and of a precision undreamt of in 1918, to make the Fleet in general and the battleship in particular, the least attractive target for an enemy air force.

Naval Bases

Naval bases whose protection was mainly a task for the Air Force and the army—were now very formidable objects to attack, whether the Fleet was present or not. Trade communications through narrow seas presented special dangers but if that threat developed, they were ready to meet it and a committee was preparing measures for ensuring the least possible dislocation of shipping in an emergency. The best form of defence was a bold offensive. Attack would not be a monopoly of the enemy.

Many changes affecting naval policy since and before 1914 had been for the worse, one was pre-eminently for the better. There could be no rivalry between the United States and British navies and under the Anglo-German naval agreement there could be no race between Britain and Germany in naval armaments.

Singapore Base Values

After parenthetically assuring the House that the naval base at Singapore was within sight of completion —probably within the next two or three months—the First Lord recalled that the general objective he had given for naval strength was as essential for any part in collective action which Britain might have to take under the League Covenant as for self-defence in which light the naval programme must be flexible. For the present the proposed expansion was as much as was either wise or practicable.

During 1937 five new battleships would be laid down because twelve of the existing fifteen were over twenty years old. The new battleships, displacing about 35,000 tons with 14-inch guns, were designed for a higher speed than any existing British battleship.

Seven new cruisers to be laid down this year would bring the under-age cruisers up to 53 and the over-age to 23. Over-age cruisers would not be scrapped but armed with anti-aircraft guns for escort work in narrow seas.

Fatalistic View Rejected

Sir Samuel Hoare asked if the world was entering upon a new race in which sooner or later it would die either of exhaustion or by self-destruction in a final catastrophe.

He refused to accept a view so fatalistic as there had been the Washington Treaty, though not renewed; the 1930 London Treaty, the Anglo-German naval agreement, the protocol on submarine warfare and, lastly, there was every hope that the London Treaty of 1936 would be accepted by a sufficient number of powers for Britain to ratify it.

The main effort of the British Government had been directed to the conclusion of bilateral agreements with Germany and Soviet Russia, but similar negotiations had been proceeding satisfactorily with Denmark, Finland, Norway, Sweden, Poland and Turkey.

The First Lord was glad to say that the Italian Government was ready to make a valuable contribution by its readiness to accept the maximum gun calibre of 14 inches for capital ships provided other principal naval powers did likewise and following the Anglo-Italian declaration on the Mediterranean, he hoped Italy would soon accede to the treaty.—Reuter.

BRITISH LABOUR PARTY OUTLINES POLICY

London, Mar. 8.

A manifesto outlining the programme of an eventual Socialist Government in Great Britain, was published yesterday by the Executive Committee of the Labour Party.

The manifesto affirms the necessity of a positive peace policy and economic co-operation with all foreign nations. Other points of the programme provide for:—

1. Expropriation of private property with equitable compensation, small property excepted.
2. Nationalization of the Bank of England.
3. Nationalization of means of transportation, collieries, gas and electric power plants.
4. Higher labour wages, annual vacations with pay for workers, reduction in working hours, and immediate aid to distressed areas.

In the matter of foreign policy and national defence, the programme calls for cessation of the armaments race, international agreement on general disarmament, notably through substitution of civilian national aviation by an international aerial police force and an international civilian air service, and through creation of State control over arms manufacture. The necessity is also advocated of creating a Ministry of Defence for Britain to co-ordinate the Admiralty, War Office and Air Ministry services.—Havas.

ENGLISH BISHOP ON BIRTH CONTROL

Oxford, Mar. 7.

Approval of limited birth control was given here to-day by the Rt. Rev. Dr. E. Barnes, the Bishop of Birmingham, in a sermon at Oxford University.

"Prudent parents," Dr. Barnes said, "should not bring children into the world if they are going to be ill fed and ill housed. Refusal to bear children who may be engulfed in a pitiless war is natural enough."

"I cannot think it is right," Dr. Barnes also said, "to keep alive those individuals whom doctors know are doomed to a sub-human existence. It is discreditable to us as a nation that the recommendations of the Brock Committee on voluntary sterilization have so far been ignored by the Government."—United Press.

THE German Post Office announces that instructions have been given for the design and issue of a special stamp on the occasion of Chancellor Hitler's birthday on April 20. This will bear a picture of the Reichsfuhrer's head and will be the first stamp to have such.

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COMMONS DISCUSS CHINA

Slow Chinese Court Redress for Creditors

London, Mar. 8.

Shanghai occupied the spotlight for part of to-day's session of the House of Commons. Sir Cecil Hanbury, Conservative member for North Dorset, who was at one time engaged in business in Shanghai, drew attention to the serious damage to British commercial interests there because of the impossibility of obtaining prompt redress from Chinese courts in case of default in the repayment of sums advanced to Chinese.

Sir Cecil requested that representations on the subject should be made. He also drew attention to the "undermining" of the system of mortgage credits by Chinese courts.

Viscount Cranborne, Under-Secretary of State for Foreign Affairs, replied that the matter had been the subject of correspondence between the Consular body at Shanghai and General Wu Te-chen, Mayor of Greater Shanghai, who had stated that, in ordinary cases, the foreclosure law provided for the disallowance of appeals designed to prolong litigation.

The last information received by the Foreign Secretary, Mr. Anthony Eden, was that the foreign chambers of commerce at Shanghai were considering the Mayor's statement, and it did not appear that representations by the British Ambassador, Sir Hughe Knatchbull-Hugessen, were at present called for.

Mr. Adrian Moreing, Conservative member for Preston, raised the matter of decisions given by Chinese courts in the matter of unpaid rents. He asked what action was proposed to prevent serious damage to British commercial interests in Shanghai because of the absence of effective means of recovering rents from defaulting Chinese tenants.

Viscount Cranborne replied that the British Ambassador had been requested to submit a report on the subject.—Reuter.

MR. BALDWIN MAY TAKE EARLDOM

London, Mar. 10.

It is now definitely, although unofficially, stated that Mr. Stanley Baldwin will retire from the Premiership immediately after Whitsun.

Presumably the date indicated is about May 26, as the Premier's engagement list for the preceding week is full, including a dinner with the King and Queen on May 25.

Political correspondents here suggest that Mr. Baldwin may take an earldom, and that possibly Mr. Ramsay Macdonald will also go to the House of Lords.

It is taken for granted that Mr. Neville Chamberlain, Chancellor of the Exchequer, will be the new Premier.

Sir Samuel Hoare, First Lord of the Admiralty, and Mr. Walter Runciman, President of the Board of Trade, are mentioned as Mr. Chamberlain's possible successors at the Exchequer.—Reuter.

TERRIBLE TRAGEDY IN FRANCE

Bourges, France, Mar. 13.

Fifteen persons were killed, including four women and two children, and many others were injured as a result of the derailment to-day of a winter sports express, which was proceeding from Paris to Mont Dore, in a gale near Corquoy.

A tree was blown down on the line just as the train was approaching, causing the engine, the luggage van and the first coach to leave the metals. Several coaches were telescoped.

A number of the passengers were en route to a big ski meeting at Mont Dore.—Reuter.

SIR OTTO NIEMEYER GIVEN B.I.S. POST

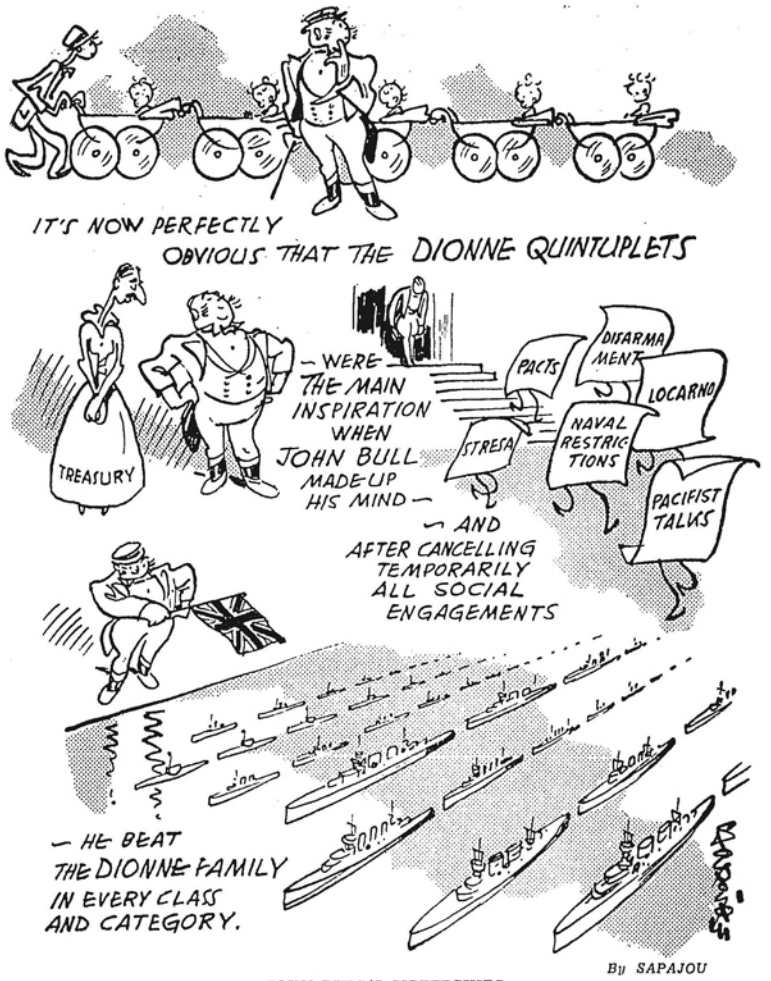
Basle, Mar. 8.

Sir Otto Niemeyer, the British financial expert, was to-day appointed President of the Board of Administration of the Bank for International Settlements, of which he is a director. Sir Otto has been connected with the Bank of England since 1927.—Reuter.

POPE BLESSES GOLDEN ROSE FOR A QUEEN

Vatican City, Mar. 7.

Pope Pius XI, in the first ceremony since his illness, to-day walked into his salon in the presence of fifteen ecclesiastical dignitaries, for the blessing of a golden rose for Queen Helen of Italy, in recognition of her services to the Church.—United Press.



By SAPAJOU

JOHN BULL'S SISTERSHIPS

U.S. RECOGNIZED AS PEACE BULWARK

Mr. Eden Denies War Inevitable: Means to Main End: Imperial Conference to Discuss Issue

London, Mar. 8.

In a speech at Aberdeen to-night, the Foreign Secretary, Mr. Anthony Eden, referred to the rearmament programme as a means to an end and not an end in itself.

The Government, he said, believed it to be an indispensable contribution to peace. It was difficult to watch with patience nations piling up armaments on an ever-increasing scale, knowing that the ultimate effect of their action must react on the standard of living of peoples.

While therefore at this time, no responsible British government could do other than ask the nation's endorsement of the rearmament programme which they had outlined, which they were already engaged on, and which they meant to carry through to the end if need be, it was none the less clearly their duty to seize the first opportunity to cut this vicious circle of rising armaments.

Speaking of the British Commonwealth of Nations as one of greatest stabilising influences for peace and progress in the modern world, Mr. Eden said it was clear that foreign affairs would be one of the major subjects for discussion at the forthcoming Imperial Conference, and it was impossible to over-estimate the value of a free inter-change of views between the governments of the Commonwealth on these issues, particularly at the present time.

It was not possible now to anticipate the course of the discussion, except to say that the United Kingdom government intended to lay the facts as they saw them, fully and frankly, before the conference, and to endeavour to reach, in consultation, an agreement on the lines of action which would contribute both towards the prosperity of the British Commonwealth and towards the peace of the world.

U.S. as Peace Factor

Another great stabilizing factor in world influence and authority, which was of evident advantage to mankind as a whole, was the United States of America. When they looked at the troubled state of the world to-day, it was a comforting thought that over the vast area where the United States flag flew there was a great peace-loving and progressive influence at work.

Disturbing as the effect of recent and present large increases in world armaments must be to the public mind these in no sense justified acceptance of the inevitability of war. His Majesty's Government would never subscribe to such fatalism.

The influences working for peace were many and varied. Not the least among them was the realisation, inescapable for all, of the appalling and immeasurable calamity for all—victim and vanquished alike—which resort to war involved. In itself that was an important deterrent.

Mr. Eden, referred to the necessity, under the system of representative government, for a foreign policy the bases of which commanded the agreement of all sections of the community, irrespective of party. He sketched out a line of principles which, he believed, commended themselves to the moral sense and commonsense of the country. "We are all agreed," he said, "that the main object of foreign policy is the pursuit of peace and that, while avoiding anything in the nature of provocation, we should not hesitate to speak our minds when we think it right. We are all agreed that, in rearming the world, this country should have armaments commensurate with its national, Imperial and international responsibilities. We are all agreed that peace will only finally be secured by the establishment of an international order which shall substitute the rule of law for the rule of force. We are all agreed that we should co-operate with those who are like minded, and should make every endeavour to extend the area of co-operation."—Wireless Through Reuter.

VISA FEES REDUCED

London, Mar. 13.

The American and British Governments have agreed on a mutual 80 per cent. reduction in visa fees effective April 1, the Foreign office announced here to-day.—United Press.

ITALY, GERMANY REPLY TO WEST PACT NOTES

London, Mar. 13.

The long-awaited German and Italian replies to the British Memorandum proposing a new Locarno pact have been handed to the British Ambassadors in Berlin and Rome respectively.

It is officially stated that both were drafted after mutual consultation.

The German Ambassador, Herr Joachim von Ribbentrop, called on Mr. Anthony Eden, Secretary of State for Foreign Affairs, at the Foreign Office to-day.

At his interview with Mr. Eden, Herr von Ribbentrop handed him a copy of the German reply, a long document.

The Note, it is stated in official circles, contains nothing startling, and it is rumoured that reports about its contents are all wrong. The communication will not be published for the present.

A German commentary issued in Berlin, says that according to well-informed circles, the German memorandum "again expresses Germany's positive attitude towards a Western Pact and takes another step towards strengthening European security. Germany again clearly defines the idea of Locarno, namely, guaranteeing the Franco-German frontier with the support of Great Britain and Italy."—Reuter.

Soviet Defence Forces Purge on May 1

Moscow, Mar. 13.

The great purge of the Soviet army and navy, which has been in preparation for some time, is to begin on May 1 when all former Czarist officers will either be expelled from the defence forces altogether or be given totally subordinate posts.—Trans-Ocean Kuo Min.

November 11, which is celebrated by the Allied Powers throughout the world as Armistice Day, has an even greater significance for Poland since it was on this day that Marshal Pilsudski entered Poland and inaugurated Poland's independence. For this reason, the Warsaw Council of Ministers has decided to present a bill to Parliament making this day national independence day and a legal holiday.

IL DUCE "PROTECTOR OF ISLAM"

Challenge to All Colonial Powers

Gaeta, Mar. 10.

Signor Mussolini sailed from Gaeta to-day on his way to Libya, where he is to open a new strategic road and witness manœuvres of the Italian fleet.

A salute of 21 guns from the assembled warships greeted Il Duce on his arrival at Gaeta from Rome in the cruiser Pola which is being escorted by the warships of the first squadron of the First Division and is expected to reach Tobruk on Friday.

More than 100 Italian and foreign journalists and cameramen are gathered at Tobruk. Everything has been done to make Signor Mussolini's visit to the African Empire important and spectacular. He will be met by Marshal Italo Balbo, Governor of Libya, and native notabilities. Arab dances have also been arranged on a magnificent scale.

Il Duce will motor to Amseat close to the Egyptian frontier and then start along the new 1,000-mile shore road.

In a proclamation to the Arabs of Libya, Marshal Balbo exhorts them to welcome "the great head of Fascism, who is the protector of Islam. Cry aloud his name and invoke from God light and glory for his path."

Most of the Italian fleet nearly 200 vessels are taking part in the manœuvres off the Libya coast which began to-day and will continue until March 23.—Reuter.

Derna, Libya, Mar. 13.

In a simple ceremony, Signor Benito Mussolini to-day opened a new 1,000-mile strategic road.—Reuter.

Rome, Mar. 15.

Signor Benito Mussolini has challenged all Colonial powers, especially Great Britain, by claiming to be the sole protector of Mohammendanism and the Arab race. In a pamphlet just issued on the "Islamic policy of Italy," which states the only country living in peace and tranquillity in all Islamic Mediterranean is Libya, the Italian colony in north Africa.

In the Italian Empire, it declares, there is the fullest protection for the Moslem faith, and no attempt to convert Moslems to Christianity has been authorized by the Government.

"In Algeria," says the pamphlet, "there are rebellions and violence, and in Morocco and Tunis political agitations," while in Palestine the revolt of Arabs ferments unceasingly "despite cruel repression."

The challenge culminates the long outpouring of Italian propaganda in Arabic from the radio station at Bari, on the Adriatic, and is expected here to have considerable repercussions on British influence in Arab lands.

The pamphlet, after having been made public, was hurriedly withdrawn and an amended version in which some passages were omitted, was re-issued.—Reuter.

Moslem Rejoinder

London, Mar. 15.

A Moslem rejoinder to Signor Mussolini's claim has been made by Imam Afbaudin Ahmad, of the mosque at Woking, Surrey.

Moslems in the British Empire, he told Reuter in an interview, had been granted freedom of religion so as to bear British rule with tolerance and faithfulness and if Signor Mussolini extended the same tolerance, Moslem subjects of the Italian Government would pay it the same homage as Moslem subjects of the British Empire paid to the British Throne.—Reuter.

THE wise woman does not experiment when a troublesome corn makes her life a burden—she knows it can be removed quickly and safely with

GETS-IT

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PARIS DEFENCE LOAN QUICKLY TAKEN

Paris, Mar. 13.

Success, almost without parallel since the 1871 loan for the liberation of French territory from German invasion, yesterday was the lot of the new French National Defence Loan, the first issue of which, amounting to Frs. 5,000,000,000, were over-subscribed this afternoon, a communiqué published by the Finance Ministry reports. After 5 p.m., all subscriptions had to be refused. It is authoritatively understood that the "Official Gazette" will publish to-day a decree closing the first issue while the second will be floated on Tuesday and will probably amount to Frs. 2,500,000,000. The total authorized amount of the loan is Frs. 10,500,000,000.

Subscribers rushed to banks yesterday since the early morning and many were selling gold bars or foreign currency to subscribe to the new bonds, thereby favourably affecting the position of the French Exchange Equalization Fund. Financial quarters hail the success of the loan, expressing the view that it will alleviate the Treasury's situation as repatriation of exported capital helps to maintain the franc at its present parity and at the same time involves a rise in Government securities.

The new bonds are redeemable optionally in francs, sterling, or U.S. dollars, thereby offering an exchange guarantee to the subscriber.—Havas.

SMUGGLING PLOT IN ITALY REVEALED

Milan, Mar. 11.

The "Popolo d'Italia" announced to-day that revenue police had uncovered a gigantic currency smuggling plot. The participants, including prominent industrialists, bank officials and "the most prominent foreign personages" were fined a total of 52,000,000 lire, the newspaper asserted.

Thirty-four persons are still detained, according to the "Popolo d'Italia." Sixteen of the group are charged with hoarding foreign currency and transferring it abroad. The police, the paper reported, confiscated 20,000,000 lire worth of foreign currency and several million lire of gold.

In addition to the fines imposed, the "Popolo" said, twelve Italians were sentenced to varying periods of enforced domicile, and six foreigners, including one "most prominent personage," were expelled from the country.—United Press.

MR. LLOYD GEORGE MAY PROTEST

London, Mar. 13.

Mr. D. Lloyd George told the "News-Chronicle" to-day that he intends to protest to the Civil List Committee because no funds have been set aside for the Duke of Windsor.

"It will be scandalous," Mr. Lloyd George told the newspaper, "if the former King is omitted. He abdicated in order not to make it difficult for the reigning king. To make no provision for him....would be the height of meanness....There is a touch of vindictiveness about it."

The newspaper reported that Mr. Winston Churchill, who defended the former King during the Constitutional crisis, shares Mr. Lloyd George's opinion concerning the Civil List provisions.—United Press.

REICH WILL HIT BACK AT EXPROPRIATIONS

Berlin, Mar. 9.

Far-reaching powers were conferred to-day on Dr. Walter Frick, the Minister of the Interior, by a new law which the Cabinet has adopted.

The law authorizes retaliatory measures against the subjects of foreign states, and their property, in the event of that state penalizing subjects of the Reich.

Conjecture is active over the object of the new law. It is believed to have been designed to counteract the expropriation of Germans abroad and to provide a weapon against the arrest of Germans in Russia.—Reuter.

MEXICAN WOMEN IN CHINA TO BE REPATRIATED

Mexico City, Mar. 9.

The Department of Interior announced here to-day that the Government has sent 94,000 pesos to the Mexican Consul at Yokohama for the purpose of repatriating about 400 Mexican women and children from China. The majority of the Mexicans to be repatriated are from Sonora and Sinaloa and had married Chinese who abandoned them in China, the announcement stated.—United Press.

CANBERRA CABINET SENSATION

SPECIAL TO THE "N.-C. HERALD"

Canberra, Mar. 10.

A sensation has been caused by the resignation of Sir Henry Gullett, Minister without portfolio, who has been directing the negotiations for trade treaties between the Commonwealth and other countries.

His resignation, it is understood, was tendered after a sharp difference of opinion on Australia's trade policy had revealed itself at a meeting of the Cabinet.

The Prime Minister, Mr. J. A. Lyons, says he does not intend to replace Sir Henry Gullett, as Mr. R. G. Menzies, Minister of the Interior, will handle the trade treaty work.—Reuter.

U.S. President to Call World Conference

London, Mar. 11.

President Roosevelt, within two months, possibly may call a conference of European nations similar to the recent Pan-American peace conference at Buenos Aires, the magazine "The Week" predicted here to-day.

"From all indications," the magazine stated, "....plans for the conference have virtually been completed. Paris already is informed of the situation and Wall Street....is convinced that the announcement is coming soon."—United Press.

BRITISH ACTRESS WINS GREAT OVATION

SPECIAL TO THE "N.-C. HERALD"

London, Mar. 11.

In obedience to the request of her husband, Mr. W. Graham Browne, who died yesterday, Miss Marie Tempest, the celebrated English actress, to-night played her usual part in the comedy, "Retreat from Folly," at the Queen's Theatre. She was tumultuously cheered.—Reuter.

Russian Anti-God Moves End Foreseen

Moscow, Mar. 10.

The end of the anti-God movement is foreshadowed to-day by an official statement which says the membership of the Bezbojniks, or Militant Godless League, has fallen from five millions in 1933 to below two millions. Many anti-religious organizations are threatened with disintegration.

The Commissariat of Education has closed five anti-religious museums in the provinces and has suspended an important anti-religious institute with a membership of 3,000.

The church, encouraged by the freedom of worship guaranteed under the new Constitution, is beginning a new drive.—Reuter.

PIANISTS' AWARDS STARTS FIGHT

Warsaw, Mar. 13.

The final test in the Chopin competition was won last night by the Soviet pianist, Jakob Sak, with another Soviet citizen, Miss Rosa Tamarkina, placed second.

Jakob Sak, who has now won this distinction for the second time, is 23 years old. Miss Tamarkina is considered a prodigy, being only 16 years of age.

Police were called in to end a scuffle that broke out over the low rating given the Japanese pianist, Miss Chieko Hara who was ranked fifteenth among the list of talented players. One member of the audience, angered by this decision got into an argument with his neighbour, and finally slapped him in the face.

The ensuring affray was settled only after officers of the law intervened.—Havas.

ADDIS ABABA SLAYING CONFIRMED

London, Mar. 8.

Virtual admission that atrocities had occurred at Addis Ababa on February 19 following the attempt on the life of Marshal Rodolfo Graziani, Viceroy of Ethiopia, was made in the House of Commons to-day by Viscount Cranborne, Under-Secretary of State for Foreign Affairs.—Reuter.

GIANT TIN DREDGER SINKS

Amsterdam, Mar. 8.

The Kantoeng, reputed to be the world's largest tin dredger, capsized and sank to-day in a heavy storm near the Eddystone Lighthouse while being towed to the Netherlands East Indies. All members of the crew were saved.—Reter.

SILVERLARCH PASSENGERS RESCUED

Honolulu, Mar. 13.

The U.S.S. Louisville to-day safely removed the eight passengers, including two women, aboard the blazing British freighter Silverlarch as the climax of a hectic race in which five warships and a Coast Guard cutter battled against time and the sea to reach the ill-fated ship. The 45 members of the burning ship's crew remained aboard to assist sailors of the United States Navy in battling the flames.

The British ship caught afire 500 miles south-southeast of Honolulu yesterday and earlier to-day had sent out an S.O.S. reporting that the passengers and crew were in serious danger of their lives.

The Coast Guard cutter Taney reported by radio to-day that it expected to reach the Silverlarch by eight o'clock to-night and would escort the flaming ship, which is carrying a cargo of inflammable crude oil, to Honolulu.—United Press.

MRS. J. A. MOLLISON SEEKS DIVORCE

London, Mar. 14.

Further evidence that the British flying couple, Mr. and Mrs. James A. Mollison, have come to the parting of the ways was afforded to-day when Amy Johnson asked her representative in London to issue a statement on her behalf saying it was true she was seeking a divorce. This would take its natural course.

She added she had lots of plans for long distance flights and records in the future, but would attempt these as "Miss Johnson."

In a statement yesterday, Mr. Mollison said he had asked his wife to divorce him. Miss Johnson's interest, he explained, lay mainly in France, where she was planning a new air company, while his varied between England and America. He hinted that he and his wife would be rivals in the air race from New York to Paris in August.—Reuter.

RUSSIA'S MILITARY IMPREGNABILITY

London, Mar. 13.

Russia's military impregnability was the text of a remarkable speech by M. Ivan Maisky, the Soviet Ambassador to the Court of St. James' at a meeting here to-day of a congress in sympathy with Sovietism.

The danger of war, especially against the Soviet had increased, he declared. According to highly reliable information, he proceeded, the German-Japanese pact against the Comintern amounted practically to an anti-Soviet military alliance.

"Our two frontiers," he said, "have been made well-nigh impregnable by great fortifications and armies, and by our huge air force."

"I say with every responsibility for every word," he added, "that we are strong enough to repel, single-handed, any attack by any foreign Power or combination of Powers."—Reuter.

OBITUARY

Mr. Henry Vandenbergh

Nice, Mar. 13.

Mr. Henry Vandenbergh, the industrialist, died here to-day.—Reuter.

Mr. W. Graham Brown

London, Mar. 14.

The death has occurred of the actor, Mr. W. Graham Browne, second husband of Miss Marie Tempest, the celebrated actress.—Reuter.

Mr. Dion Clayton-Calthrop

London, Mar. 8.

The death has occurred, at the age of 58, of Mr. Dion Clayton Calthrop, the dramatist, novelist and artist, at his home in Chiedock, Dorset.—Reuter.

M. Charles M. Widor

Paris, Mar. 13.

M. Charles Marie Widor, famous French composer and organist, perpetual Secretary of the French Academy of Fine Arts, died here this morning at the age of 92.—Havas.

Mr. Henry L. Gates

New York, Mar. 12.

Mr. Henry Leyford Gates, newspaper editor and the author of 52 novels, died here last night of peritonitis, at the age of 53. He was well known in Shanghai.—United Press.

Dr. Elihu Thomson

Swampscott, Mass., Mar. 13.

Dr. Elihu Thomson, dean of electrical engineers and inventor of the electric locomotive, died here to-day at the age of 83. He was the last of America's "Big Four" of electricity—Thomas A. Edison, Charles F. Bush and James J. Wood. Within his life-time came the entire development of the electrical industry, of which he was a pioneer.—United Press.

LADY HOUSTON'S WILL INVALID

SPECIAL TO THE "N.-C. HERALD"

London, Mar. 14.

After a prolonged search, the £5,000,000 will of Lady Houston, the philanthropist, who died recently, has been discovered, but it is invalid.

It is understood that it bequeaths her whole fortune to Miss Julianna Hoare, aunt of Sir Samuel Hoare, First Lord of the Admiralty, who died last year.

Lady Houston's solicitors are continuing their search for another will.—Reuter.

NEW BRITISH ENVOY TO TOKYO

London, Mar. 13.

Sir Robert Craigie, Assistant Under-Secretary in the Foreign Office, has been appointed British Ambassador to Japan in succession to Sir Robert Henry Clive, who has been transferred to Brussels as Ambassador to Belgium, replacing Sir Esmond Ovey, the new Ambassador to Argentine and Minister to Paraguay.

The new Ambassador to Japan, who is 53 years of age, was formerly Acting High Commissioner in Sofia and Chargé d'Affaires in Washington.—Reuter.

Foreign News in Brief

Italy has joined Britain, France and Germany in guaranteeing the integrity of Belgium's frontiers.

The King and Queen gave the first party of their reign at Buckingham Palace on March 11. The guests were members of the Diplomatic Corps.

The Fascist Grand Council has announced plans to abolish the Chamber of Deputies, which will be replaced by a "Corporative Chamber" within two months.

The Duke of Windsor has purchased a new twin-engined Airspeed Envoy aeroplane, costing £6,000 and with a maximum speed of 210 miles per hour and a flying radius of 700 miles.

The United Netherlands Steamship Co. will shortly place orders for the construction of four motorships of 10,000 tons each for the service to East Asia.

After flying from The Hague to Medan, Sumatra, in a light plane in 67 hours, M. G. E. F. de Kok, head of the Royal Dutch Oil group, one of the largest oil combines in the world, is now on his way back to Europe.

Despite greater precautionary measures there were more road casualties in Great Britain in February than twelve months earlier. There were 461 killed and 13,491 injured against 435 killed and 13,234 injured in February 1936.

A GROUP of influential Spanish royalists in Paris is reported to have approached ex-King Alfonso XIII with a request to abdicate his claim to the throne in favour of his son, Infante Don Juan, the Prince of Asturias, in order to "facilitate the restoration of monarchy in Spain."

In appreciation of the fine work carried out by the crew of the German cruiser Emden in saving 25 persons from a capsized boat in the Bombay harbour, the president of the "Safety First Association of India" has presented Captain Lohmann with the association's life-saving medal for his ship.

Roman Catholic organizations at Warsaw have requested the Polish Government to take the necessary steps to carry out an exchange of prisoners between Poland and Soviet Russia. The reason for this action is that there are still 40 Polish priests living in exile in Soviet Russia.

The seventeenth foreign journalist publicly expelled from Germany since the advent of the Nazis into power is an American, Mr. Bersmolar, a correspondent of the Jewish Telegraph Agency. Since the Nazi rule, many other foreign correspondents have left the country "by arrangement" to avoid expulsion.

Orders to the extent of £4,000,000 have been awarded by the Soviet Union to a number of British firms. The British concerns will supply dry and floating docks, industrial machinery, turbines and dynamos in return for which the Soviet Union will make a first payment in the from of £2,000,000 worth of iron ore.

A memorandum on H. M. Board of Education estimates shows they are based on an assumed attendance in public elementary schools of 4,553,000. The cost per pupil of elementary education for a year, works out at £15 11s. 1d. and total expenditure from the national exchequer and from local rates on education will amount to £95,207,000 in 1937 compared with £92,886,000 last year.

The new agreement between the Treasury and the Cunard-White Star Line provides an advance of £500,000,000 under debenture, of which £250,000 is to recoup the line for excess expenditure on the Queen Mary, and the rest for the construction of her sister-ship, No. 552. This supplements the principal agreement of 1935 under which £950,000 was advanced.

OWING to the rise in the price of raw materials, Italian newspapers have been forced to make a 50 per cent. increase in their subscription rates, while the price of periodicals will be raised by 33⅓ per cent. The Paris Newspaper Association has likewise given its assent to an increase in the selling price of newspapers which, it is stated, has become necessary as a result of the general rise in prices. "Le Jour" has already raised its price to 40 centimes.

THE air service between Penang and Hongkong has been provisionally prolonged until March 23, 1938.

A French Government decree nationalized all the extensive plants of Schneider Company at Le Creusot, devoted to the manufacture of arms.

Lord Snell was re-elected Chairman of the London County Council at the first meeting of the newly elected Council on March 10.

Harry Weiss and Martin Schlossman were found guilty of the kidnapping of Apul Wendel, who figured prominently in the Lindbergh baby trial, at their retrial.

The mortal remains of Marshal Foch will shortly be transferred from their present provisional resting place, to a vault in the Invalides Dome adjacent to the vault where Napoleon I is buried.

A group of Germans will make another attempt to scale the Nanga Parbat, one of the thirteen highest peaks of the Himalayas. The expedition, headed by Dr. Karl Wien, will leave Genoa on April 11.

An offer has been made in the U.S. House of Representatives by Mr. Samuel Dickstein, Chairman of the Rules Committee, to name a hundred spies attempting to establish a Fascist government in the United States.

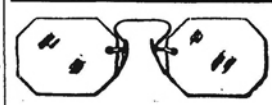
Variety artists in England have called on the Government to protect their jobs by limiting the number of foreign artists who may work in Britain. They ask that this be done along the lines of the Bill now pending in the United States.

The Imperial Shipping Committee has begun an inquiry into the position of British shipping in Middle and Far Eastern waters with regard to changing conditions of seaborne trade, and particularly to increased competition of foreign flags.

Kimberley, South Africa's famous diamond town, is being plagued by reptiles as result of the present heat-wave. Even cobras have been encountered in the heart of the town and one was killed after it entered a restaurant crowded with people.

After consultation with the British and other Empire governments concerned, the New Zealand Government has granted Pan-American Airways an extension to December 31 of the agreement signed in November 1935, whereby the corporation undertook to start a service between America and New Zealand.

The 1936 returns of the Reich Credit Institution show a slightly higher balance so that a dividend of 6.5 per cent. instead of 6 per cent. has been announced. This is considered to be a good sign as the development of the capital markets and savings bank deposits are of the utmost importance in the general economic scheme of things.



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FROM THE FOUR WINDS

THE "CASH AND CARRY" POLICY

U.S. People Determined Not to Become Embroiled in Foreign War: Self-Blockade Theory

From Our Own Correspondent

Washington, Feb. 6.

The assumption is general in the United States that a European war is inevitable in a few years time. That being so the aim of United States Congressmen is to enact legislation which will keep the United States from becoming involved. To accomplish that end Congress is prepared to abandon the old doctrine of "neutral rights," give up the traditional theory of the Freedom of the Seas and withdraw national protection from those Americans who attempt to trade in wartime with belligerent countries. The word "neutrality" is used to describe these ideas, but Congress is not concerned with the dictionary definition of neutrality, that is to say not taking sides in a squabble, she is concerned with "security," with the problem of preventing those already squabbling from dragging her in on one side or the other.

In addition to abandoning neutral rights as part of the necessary price of security, the United States is also prepared to abandon a more recent conception implicit in the Kellogg Pact. Mr. Cordell Hull's predecessor at the State Department, Mr. Henry Stimson, described the Kellogg pact in these words; "Hereafter when two nations engage in armed conflict either one or both of them must be wrong-doers, violators of this general treaty law. We no longer draw a circle about them and treat them with the punctilios of the duellist's code. Instead we denounce them as lawbreakers."

Circle Round the United States

The only circle which Congress now contemplates drawing is one round the United States, and while the possibility that one nation might be less responsible for war than another cannot be denied entirely, it is argued that moral responsibility has nothing to do with the United States. The United States has no concern in moral judgments, she has no business in trying to prevent a war before it breaks out or attempting to settle it after it has started. Her sole concern is keeping herself out of trouble. She is not her brother's keeper.

Senator Key Pittman, Chairman of the Foreign Relations Committee, blandly remarked on the subject of neutrality legislation, "We sympathize with the weak, but it is better for us that they suffer than that our citizens be dragged into war unnecessarily. We cannot be deterred by the effect of our domestic action upon any belligerent." Leaders of American opinion, owing to the sincerity of their conviction that America should stay out of war and maintain complete isolation, do their best to offset the sentimental and moral feelings of their countrymen by insisting first that all foreign wars are highly regrettable and secondly that the United States was deluded into entering the last war by munition makers and others anxious to make their profits safe.

Munition Makers Investigated

Senator Nye was so convinced that munition makers had dragged America into the last war that he called a Congressional investigation into being to prove it. His committee uncovered some discreditable sidelights in the munitions trade, but the thesis that munition makers pushed the United States into the war could only be believed by those who had not read the evidence.

There are many conflicting views held in and out of Congress on this subject of neutrality, isolation or security, whatever name be applied to it, but there are certain axiomatic assumptions. In the first place the object is not to stop wars or prevent wars, but to keep the United States out of wars—one might almost say out of the 1938 European War. The second neutrality axiom is that in applying appropriate measures to keep the United States within its charmed circle no discrimination shall be shown. All warring countries must be treated alike. The United States will have nothing to do with this League conception of bringing pressure to bear on an aggressor. "What is truth," asked Pilate as he washed his hands of a great moral issue. "What is aggression" asks the United States, dismissing another great moral issue because of its complexity.

Mr. Hull's Thesis

A year ago only when the neutrality question was being discussed the two most active schools of thought were those who wished to keep the United States out of war by a self-imposed blockade and those who wished to aid the League under the guise of neutrality. Said Mr. Cordell Hull on November 6, 1935—"In summary, while our primary aim should be to avoid involvement in other peoples difficulties and hence to lessen our chances of being drawn into a war, we should, on appropriate occasions and within reasonable bounds, use our influence towards the prevention of war and miseries that attend and follow in its wake. For after all, if peace obtains, problems regarding neutrality will not arise."

In advancing the dangerous doctrine that a good way to keep out of war would be to see that no wars took place the Secretary of State was not acting with quite the temerity which might be supposed. He was in fact following a consistent line of thought which had dominated the State Department since the time of the Kellogg Pact and had been reenforced by President Roosevelt himself both personally and through the mouth of Mr. Norman Davis at Geneva.

An enthusiastic editorial writer shortly after Mr. Davis had explained the American disarmament proposals wrote—"any shreds of America's isolation policy which remained after President Roosevelt's peace appeal to all nations were removed by the American declaration at Geneva. There may be a few Americans who still believe in the ostrich policy of isolation. But their number cannot be large." To-day the ostriches have triumphed. The same editorial writer continues, "Under the old policy of isolation we sat by powerless and idle while Europe made a war which sucked us in. Under the new policy we propose to co-operate in preventing war and promise in event of war that we shall not take a position that will aid the aggressor."

The shreds of America's isolation policy have now been patched and repaired and form a large sized winding sheet. The whole object of present endeavour is isolation and the only matter which is being debated is how it can best be secured.

Mandatory or Discretionary

A great deal has been spoken of the difference between mandatory and discretionary neutrality legislation. When this issue was first introduced into the discussion the discretion which the President was to be given applied to the countries against whom measures were to be taken. Since the days of the Kellogg Pact the State Department had striven for an embargo policy which would not have to be invoked against both or all belligerents.

Now that the embargo legislation has been broadened into neutrality legislation the State Department has thrown up its hands. It accepts the doctrine that any measures taken against belligerents must be universal. The outlaw nation and the League powers hunting the outlaw must be treated alike. As a matter of fact the possibility of all League nations uniting against one or more disobedient nations and using force to compel them to behave is considered too remote to merit attention. In American eyes the League, as a world policeman, is considered to be dead.

The only discretion which Congress is prepared to allow the President is discretion in ascertaining fact. All agree that Congress cannot lay down in detail the circumstances which would justify the name "war." The President must therefore be allowed to decide when war exists and when civil strife has reached a stage which must be described as war. Once he has made his decision and proclaimed that war exists within any country or between countries certain provisions must be applied automatically.

There is dispute over these provisions but on some there is general agreement. No Congressman objects to an embargo being laid upon arms and implements of war, nor a ban being placed upon loans to belligerents, nor to a warning that trade with belligerents or travel on belligerent vessels is conducted at the trader's or the traveller's own risk. The dispute is over measures which should be taken beyond this.

The Halfway House

At one time there was a strong group in Congress who insisted that the United States should isolate itself completely and forbid trade of any kind with belligerents. That would be the direct opposite of the old neutral rights or freedom of the seas theory which was that the United States should trade to the fullest possible extent with all belligerents The majority of Congressmen have now adopted a halfway house between these two extremes. The old doctrines had in the past, and would in the future, drag the United States into war. The opposite theory of a complete self-imposed commercial blockade would cause unnecessary dislocation and misery in the United States.

"Cash and Carry" Plan

Several architectural designs for neutrality's halfway house have been submitted. The two most important are the "cash and carry" plan and the "normal exports" plan.

The normal exports plan is the favourite of the Secretary of State, Mr. Cordell Hull. He embodied it in the Administration neutrality act which Congress rejected last session. The President in that draft act was given authority to restrict the export of "articles or materials used in the manufacture of arms ammunition or implements of war or in the conduct of war." He could decide whether to impose such restrictions and also decide on what articles the restrictions were to be imposed.

Thereupon the direct or indirect export of such articles to any belligerent "in excess of a normal amount in quantity and kind" should be prohibited—"such normal amount to constitute the average of shipments during a previous period of years to be determined by the President."

Experts of the State Department who have been studying the plan, however, object to it strongly on the grounds that it would be far too complicated and difficult to enforce. It would require for example the allocation of production quotas and the freezing of industrial production. Therefore the Secretary is now looking with more favour on the alternative "cash and carry" plan.

Shopping Slogan

The slogan "cash and carry" is taken from the American shopping world and means "no deliveries made and no credit given." Instead of imposing an embargo on materials of war similar to that on arms and implements of war, foreign countries would be able to buy all the cotton, copper, oil and so on they required provided they could pay for it in spot cash and took it away in their own vessels.

According to its advocates the plan would not involve America in any war because traders would have their money in cash and would not therefore have any material interest in wanting the country which owed them money to win the war so that their debts would be safe. Also since the goods were on foreign ships no emotional feelings would be aroused if those ships were lost.

The great objection to the plan is that, assuming America was dragged into the last war because of trade, then she might just as easily be dragged into the next. Those Americans who obtained spot cash would be just as interested in getting more and more spot cash as they would in collecting credits.

MISSIONARY TRIO IN DIFFICULTIES

Broadcast Experiences Over B.B.C. System

From Our Own Correspondent

Londbn, Feb. 8.

The Misses Cable—of the famous trio of the China Inland Mission, known in Turkestan as "The Three Honourable Exhorters to Righteousness"—had a new experience to-day. The B.B.C. had invited them to Alexandra Palace to be televized, and they appeared and gave a talk in this afternoon's "Picture Page" televisor-broadcast.

The Misses Mildred and Evangeline Cable, and Miss Francesca French, are just back after their fifth crossing of the Gobi Desert, and have brought with them "Topsy," a sixteen-year-old deaf and dumb Chinese girl whom they "adopted" in Mongolia, and who became the merriest little member of their camp.

Their crossings of the Gobi Desert, said Miss Mildred Cable, was all part of their missionary work, in pursuance of their plan of carrying Christianity into Central Asia by joining caravans along the great trade routes, which carried the news as well as trade goods. They travelled in two mule carts, at three miles an hour, which was the best pace for a missionary since it gave him time to make contacts. Bandits were no joke—a Moslem chief kept them prisoner for eight months. They got away by strategy, leaving him copies of the New Testament in their stead.

In all they had 24 encounters with bandits, but had managed to get safe home. On one occasion aluminium telescopic tent poles, mistaken for guns by bandits, saved their lives. Their equipment was slight, and they wore Chinese dress. Pitching tent one night near a sinister-looking party of men, they heard one say "Those are their guns," as they opened up the tent with the telescopic poles. This undoubtedly saved them, said Miss Cable, from the fate of a caravan which passed the same spot the following night, and was brutally attacked and robbed.

BRITISH INDUSTRIES FAIR

"The Best Ever," with 8,367 Buyers Inspecting 2,500 Exhibits: Royal Family's Patronage

By O. M. Green

London, Feb. 16.

It does not take much imagination in visiting the British Industries Fair, which opened yesterday at Olympia, to see at once that this is Coronation year. Red, white and blue hang about one from walls and roof, the more brilliantly for the new lighting which has been installed. And in all the fourteen miles (official measurement) of shop fronts it would be hard to find one that does not display some Coronation novelty, every conceivable kind of household requisite, furniture, dress materials, even sporting implements like tennis rackets: they all exhibit a Coronation emblem.

But of course there are other things. Each Fair is naturally hailed as "the best ever." This year the boast is undoubtedly true. Oddly enough the Fair was not advertised nearly so lavishly as some of its predecessors, and there were rumours that some manufacturers said they were too busy, with Government and other orders. Yet the total of exhibitors, 1,578 in London and nearly 1,000 in the heavy industry section at Birmingham, is far ahead of previous records. And the number of buyers from overseas, 8,367 representing 60 different countries, is more than 500 above last year's attendance.

Also the Fair is not only bigger, but more divers and more effectively displayed. Great improvements too have been made in Olympia itself. The new lighting is very beneficial; escalators have been installed instead of the steep and weary stairs to the galleries; and I am told, though I did not try them, that the feeding arrangements are better. Somebody seems to have told the management that it is bad salesmanship to invite buyers from overseas and feed them in the style of a third-rate boarding house.

More Graceful Designs

Surveying the exhibition as a whole, one is struck with the fact that designers are steadily becoming less arid, more gracious in their designs. Furniture is not so harshly rectangular, and its coverings show less of those mauve-green-cinnamon zigzags that we were told to admire a few years ago. Glassware and dinner services are particularly beautiful, of simple rounded shapes and lovely colouring. The best glass now is almost entirely without cut patterns on it, the object being to concentrate on the beauty of the material.

One very attractive section is the ironware, suggesting a revival of old village industries. Besides wrought iron gates and railings, there is even bedroom furniture of iron, and iron picture frames, which against a plain wall and with the right type of picture should be quite pleasing. This by the way is rather a reversion to old times, when ebony frames were much prized, a wood one hardly ever sees now.

Another sign of returning sanity is the sedate and orthodox appearance of the clocks—humble or haughty servants of the household which have suffered dreadfully at the modernists' hands. Jewellery, a magnificent display—it is said that the Birmingham Jewellers' Association is showing £1,000,000 worth of it—is becoming distinctly Victorian, with heavy flat necklaces and bracelets and pendants to match.

The optical section always fascinates me, though many of the scientific instruments shown are beyond a layman's comprehension. But there are rows of microscopes with enchanting or terrifying slides in place for your inspection (a fly's leg, for example, seen under a microscope is a fearsome-looking limb) and most enviable cameras: Questions have been asked lately why British manufacturers have allowed themselves to be out-distanced by foreigners in the making of "miniature" cameras. But assuredly in larger sizes British makes are unbeatable. It is the same with lenses.

3,000 Pictures per Second

In this section there is a cine camera through which the film runs at the rate of 120 miles an hour—3,000 pictures a second. The King, being at the Fair to-day wanted to see it, but there was such a crowd round the stall that he could not get through. His Majesty merely waved his hand saying "Another time, another time."

Some of the novelties—real ones, not just Coronation—are startlingly ingenious. There is a dinghy which holds three people while only drawing four inches of water; a combination turnstile and slot machine which lets you in and hands you your change; a device by which a typist can fit a double ribbon to her machine and make two copies of a letter without a carbon; and, offspring of disastrous days at recent race-meetings, a cellophane Ascot frock which defies the heaviest thunder shower.

There is also an Ascot picture hat with a brim 3ft. in diameter which, if the wind is high, can be taken off altogether leaving a small close-fitting hat trimmed with ostrich feathers.

The textiles, which are at the White City in Shepherd's Bush, are undoubtedly the most distinguished section of all the Fair. Here, Lancashire and Yorkshire, the one with cottons and rayons, the other with unapproachable woollens, are determined to "show the world," as they well may. It is a good sign that so many more Lancashire firms are exhibiting this year than the dozen or so big houses which are always present. Exact description is beyond the mere man, but there are windows here, cascades of varying colour, graded from moonlight tints to the richest hues of the sunset, which are sheer delight to the eye. There is also a wonderful display of gorgeous designs, specially calculated to appeal to Oriental and African tastes. Lancashire indeed is very far from beaten yet, as recent trade figures agreeably prove.

Canadian Piece-goods Bid

But one cannot help thinking that she might be better treated by our Government. For example, in the Empire section, Canada is making a big bid this year specially with cottons and dress materials. These which are allowed into England tariff-free are already making their competition felt. Yet Canadian tariffs against similar goods from this side, though preferential as compared with foreign goods, are a mile high. When one thinks of these things and of the Ottawa agreement, one becomes a Little Englander.

The Empire section altogether is a great deal brisker than in former years. Australia adds to her usual jams and fruits (the latter include apples stored since last July and perfectly good) beautiful trifles of tortoise-shell and pearl-shell. Cyprus produces wines of the sherry and vermouth order: may not Horace have drunk such when dining with Maecenas? Malta has a new species of button made of nuts. And India, putting up 50 exhibits this year against only 40 last year, includes among them cricket bats made of Kashmir willows. If our Eastern Counties willows give out, and so terrible a possibility has been gravely hinted at, India's assistance may save England. Perhaps one is not a Little Englander after all.

Mannequins' Parade

The dress parade by selected mannequins, some of whom are Welsh girls from the distressed areas trained for the occasion to sway and sidle along the narrow stage between the tiers of spectators, is always an immense attraction.

It is hard to say exactly whither fashion is trending, for there are designs of every style, from severely plain Grecian outlines to crinolines and—yes truly—leg-of-mutton sleeves. I looked eagerly for the parasol to match with its five-foot long stick (the type once known as "husband-beater") but either the Fair does not know or was not then showing it.

Among the Grecian styles was a bridal dress of pale green, with which a chaplet of white lilies is worn, altogether Botticelli angels. And with the Botticelli mannequin inside, it was lovely. Green is used at weddings to an extent that would have horrified our grandmothers. But still the bride who wears such a dress as this will be rather daring.

For a last Coronation touch, there was a very lovely mannequin dressed in the robes of a Viscountess, with tiara on head, long diamond earrings, and coronet in hand, ready to be put on when the Queen is crowned. Will any viscountess at the Abbey look quite so Vere de Vere?

Royal Family Visit Fair Often

One cannot end this notice without paying a tribute to the Royal Family. If their presence is needed to make the Fair a success, then surely a success it will be. They visit it repeatedly, explore every corner, and buy freely. Beautiful and interesting as the Fair is, it cannot be denied that a couple of hours inspecting the stalls are very fatiguing. But of weariness the Royalties show no sign. Queen Mary has paid 32 visits to Fairs. Queen Elizabeth was there by herself yesterday and again with the King to-day. She bought freely, silk stockings—"those I got last year wear so well" she said—leather work, casement cloths, dress stuffs for the little Princesses, and many more things. It is excellent encouragement to others.

Her Majesty did not buy a piano. But the popularity of this musical maid of all work seems to need no stimulus nowadays. On the first day of the Fair nearly £3,000 worth of pianos were snapped up.

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SPECIAL ARTICLES

THE MOSCOW TRIAL

By THRASYLLUS

I have just finished reading the verbatim report of the trial of Pyatakov, Radek and the rest of the seventeen men recently charged with high treason, etc., before the Military Collegium of the Supreme Court of the U.S.S.R. That almost 600 pages of an English translation of the shorthand notes could have been printed, bound and sent to Shanghai in the space between the conclusion of the trial on January 30 and the beginning of last week speaks volumes for the efficiency of those responsible for the production of this very interesting document. It is very well produced and shows every evidence of careful editing.

But the difficult task of perusing so long a report has left me just as cynical with regard to the whole affair as I was in reading the brief daily accounts carried by the news agencies during the trial itself. Let there be no mistake about it, if the accused were indeed guilty of the crimes alleged against them, if the method of investigation and trial were not open to so much suspicion, there would not be the slightest doubt that the men richly deserved the sentences meted out to them, the law of Soviet Russia being what it is. But then they all deserved it, and one of the preliminary doubts that arises is why such an arch-traitor as Radek escaped with his life, while Pyatakov, who is certainly no worse an offender, and the twelve others were made to forfeit their lives.

* * *

That this statement is correct is proved by the remarks of the Prosecutor, Vyshinsky who in one of his tirades says:—

> Such workers for merit for Trotskyism, I would call them, as Pyatakov, Radek, Drobnis, Serebryakov and Boguslavsky, camouflaged themselves, resorted to blackmail, cheated their own people and others. Only in a *milieu* such as that created by the Pyatakovs and Radeks—these most unprincipled and utterly degraded people who used their highly responsible posts in the Soviet state system for the purpose of perpetrating their shameful, sordid and bloody crimes—only in such a *milieu* could a Trotskyite *actif*, so to speak, consist of adventurers and scoundrels like the Rataichaks, Knyazevs, Shestovs, Arnolds, Strollovs and Hrasches.

Radek, Arnold, Sokolnikov and Strollov escape death, but Pyatakov and the others die under the fire of a machine gun. There seems to be a capriciousness about the ultimate execution of the law which throws about the whole proceedings that cloud of suspicion which it is so difficult to remove.

* * *

These seventeen men after weeks of preliminary investigation during which they are alleged to have broken down and confessed their crimes so hideous in the eyes of the prosecution, eventually are brought to trial. From this point we must forget the Anglo-Saxon ideas of the vindication of justice and consider the methods of the Moscow Court. It is all very different. A lengthy indictment, setting forth much of what has been given in testimony in the preliminary investigation and winding up with a formal charge is read over to the accused. They are asked if they plead guilty, and unanimously they reply that they do.

* * *

A person accused of murder in England, and admitting his guilt, has been sentenced to death in a few minutes. But from January 23 to January 30, seven long days, the Court holds an investigation into the charges which have been admitted. For a whole week the defendants under interrogation glibly admit their guilt. They rarely, if ever deny anything alleged against them by the Prosecutor. Indeed they compete with themselves in blackening their own reputations in the eyes of their countrymen. Radek so widely extends his plea of guilty that he makes himself admit criminal acts of which he did not know. The necessary amount of corroboration by witnesses is introduced. And then the Prosecutor Vyshinsky gets in some deadly work.

"This trial," says he, shortly after opening his final speech, "has revealed and proved the stupid obstinacy, the reptile cold-bloodedness, the cool calculation of professional criminals with which the Trotskyite bandits have been waging their struggle against the U.S.S.R. They stuck at nothing—neither wrecking, nor diversions, nor espionage, nor terrorism nor treason to their country.

When several months ago, in this very hall, in this very dock, the members of the so-called Trotskyite-Zinovievite terrorist centre were sitting; when the Supreme Court, represented by the Military Collegium, was trying those criminals, all of us listened to the story of their crimes that unfolded itself like a nightmare scene before us, with horror and revulsion.

Every honest man in our country, every honest man in every country in the world could not then but say:

This is a abyss of degradation!

This is the limit, the last boundary of moral and political decay!

This is the diabolical infinitude of crime!

Every honest son of our country thought to himself: such hideous crimes cannot be repeated. There cannot be in our country any more people who have fallen so low and who have so despicably betrayed us.

But now we are again overcome with sentiments that we felt not long ago. Once again across our anxious and wrathful vision pass frightful scenes of monstrous crime, of monstrous treachery, and monstrous treason.

That's good hot stuff calculated to sway any jury. But there is none. He is addressing a Court composed of three jurists not likely to be swayed by his eloquence if they had to make any decision as to the accused's guilt, a task of which the defendants themselves had kindly relieved them.

* * *

M. Vyshinsky then proceeds to deal with the accused *ad seriatim*:—

> This investigation has proved that Radek, Pyatakov and their accomplices started and carried on negotiations with foreign aggressors, with their representatives, in anticipation of military aid from them, and promising them various economic and political advantages, including the surrender of parts of the Soviet territory. The traitors were ready for everything, even for selling their native land. They conspired to commit the blackest treason; they sank lower than the worst Denikinites or Kolchakites. The worst Denikinites and Kolchakites were superior to these traitors. The worst Denikinites, Kolchakites and Milyukovites did not sink so low as these Trotskyite Judases who sold their native land for 30 pieces of silver, and these counterfeit who tried to place our country in bondage to foreign capital. These are facts. The investigation has established them and no one can controvert them.

He might have added that the defendants had admitted them, but perhaps that was not necessary. His hearers in Court and out of it would remember that. M. Vyshinsky denies that there are any extenuating circumstances to be advanced on behalf of the accused, and referring to those killed and wounded in the acts of terrorism alleged against the accused, concludes his speech thus:—

> "I am not the only accuser! Comrade Judges I feel that by my side stand the victims of the crimes and of these criminals: on crutches, maimed, half alive, and perhaps legless, like Comrade Nagovitsina, the switch-girl at Chusovakaya Station, who appealed to me through the "Pravda" to-day, and who, at 20 years of age, lost both her legs in averting a train disaster organized by these people! I do not stand here alone! I feel that by my side here stand the murdered and maimed victims of these frightful crimes, demanding of me as State Prosecutor that I press the charge on all points!
>
> I do not stand here alone! The victims may be in their graves, but I feel they are standing here beside me, pointing at the dock, at you, accused, with their mutilated arms which have mouldered in the graves to which you have sent them.
>
> I am not the only accuser! I am joined in my accusation by the whole of our people. I accuse these heinous criminals who deserve only one punishment—shooting by death.

* * *

When what was done in the way of murdering and maiming people in Russia a bare twenty years ago is recalled, M. Vyshinsky seems to be more than a little put out by the crimes of the defendants, but then it is to be supposed that the old doctrine of *autres temps autres mœurs* must of necessity prevail.

* * *

Most of the defendants waive the right to speak in their own defence. Of what avail? What defence can they possibly put up? Counsel for some of them address the Court, but M. Vyshinsky does not even deign to reply to their arguments. He knows that the trial is progressing toward its inevitable end.

* * *

Then come the last pleas of the accused. Starting with Pyatakov they beat their breasts and shout in an ever increasing crescendo "*mea culpa, mea maxima culpa!*"

> Pyatakov:—I am too keenly conscious of my crime, and I do not venture to ask for clemency. I will not even make bold to ask for mercy
>
> In a few hours you will pass sentence. And here I stand before you in filth, crushed by my own crimes, bereft of everything by my own fault, a man who has lost his party, who has no friends, who has lost his family, who has lost his very self.
>
> Radek:—We cannot, nor can I ask for clemency, we have no right to it. And I will say—there is no pride here; what pride can there be?—that we do not need clemency.
>
> Sokolnikov:—I do not doubt the fairness, the absolute impartiality of the Supreme Court of the Union. I think that everything of an extenuating character, everything that speaks of clemency that may be found in my own case or in the case of others will be weighed by the Court. I therefore will not mention anything that it seems to me speaks in favour of clemency.....
>
> But as regards the general responsibility of the accused and not their individual responsibility I repeat that I think that the Trotskyite organization, that Trotskyism itself is dead, has come to be hated by the masses, has been buried and cannot rise again. I think that this circumstance perhaps may be regarded as a reason for clemency and through the Court to our whole people for whose forgiveness I publicly plead.

* * *

And so through the long list of accused. Some appeal for mercy that they may try and make some amends for the crimes they have committed, others ask if it is possible to be saved from a shameful death. Shestov has only one desire, "to stand with the same calmness on the place of my execution and with my blood wash away the stain of a traditor to my country."

The sorry tale of recantation proceeds until 7.15 p.m. on January 29, when the Court adjourns.

At 3 a.m. the next day the Court reassembles. Most think that there will be only one judgment—death for all the accused. The finding is read. Thirteen of them are to die. Radek, Sokolnikov, Arnold and Strollov escape with terms of imprisonment. A very few hours later thirteen men fall before the rattle of a machine gun, four go to prison to expunge their crimes by years of suffering.

* * *

One is glad that some of them did not die. But, nevertheless it is difficult to see from the record why any of them escaped. Why did they? Why did all the accused confess so readily? Why did they pile more and more guilt upon themselves? Why was the trial ever held at all? Not all who are arrested and executed pass on their way to death through the Courts. These questions may never be answered, though there will always remain the uncomfortable suspicion that all was not so clean and above board as this lengthy verbatim report would have the reader believe. It is all so amazingly glib.

* * *

Indeed the whole thing reminds one of the story of the teacher in Russia who asked his class:—

"Now tell me, who wrote "Eugene Onyegin?" (Pushkin's famous work).

The class sat dumb. Turning to the smartest boy in the class he repeated the question.

The boy stood shamefaced and finally blurted out "Please sir, I didn't."

Indignant at the youth's lack of general knowledge the teacher wrote to his parents, and in reply received a letter to the effect that the lad was a good boy, and, if he said he did not write "Eugene Onyegin," he probably did not.

A few days later the teacher met a friend of his, a member of the Ogpu and told him all about it. The latter promised to inquire into the matter.

For a few days the scholar was absent from class, which the master failed to notice, until one day he received a note from his Ogpu friend:—

"It's quite all right. The lad did write 'Eugene Onyegin.' He's just confessed."

BRITISH INCOME TAX REFUNDS

Sufferers Entitled to Claim Whole or Part Before April 5: Clear Statement by Expert

By DOUGLAS COMPTON-JAMES
(Late Somerset House, London)

Every British subject who has suffered United Kingdom Income Tax and lives abroad can claim a refund of either part or the whole of tax suffered.

The time limit for claiming the refund is six years from the end of the year in which tax is paid and the date of expiry of the British Income Tax year is April 5. Under this rule, all refunds for the year ended April 5, 1931, must be claimed on or before April 5, 1937. After that date, the year 1930-31 is retired in rotation to the limbo of years unclaimable.

If it does not prove possible to get the complete claim lodged in London before that date, the right to claim for 1930-31 may be temporarily protected by lodging a notice of intention to claim. This notice should be sent to the Chief Inspector of Taxes (Foreign Claims Section), Cornwall House, Stamford Street, London, S.E.1. After such a notice has been duly lodged and acknowledged, claims put in after April 5, 1937, will be accepted provided there is no undue delay. In cases where fairly large amounts of tax are involved and the matter has been left too long to enable a letter to reach London in time, the notice of claim can be cabled, thus:—

"Take notice intend claim refund British tax 1930-31." The claimant's name and address should be incorporated in the body of the cable.

All British subjects resident abroad who hold investments which have suffered British tax should, therefore, examine their records and protect their right to claim for 1930-31 immediately.

For years subsequent to 1930-31, there is not the same urgency but it is just as well to get the matter put in hand without delay so as to prevent all possibility of future loss.

Many thousands of pounds are lost by British subjects in various parts of the world owing to failure to claim refunds of British tax. With the rate of tax at the high figure of 4s. 9d. in the £ and the prospect of a further increase in the near future, the rate of dividend from British investments is appreciably reduced if advantage is not taken of the facilities under which refunds of tax can be secured.

The amount of the refund depends upon the income of the person claiming. The rule is that the refund shall be calculated on the proportion which the British income bears to the total income of the claimant. People whose incomes are below the British limits of taxation are exempt altogether from United Kingdom Income Tax and can claim a refund of all tax suffered. Thus, a married man with four children and an income mainly earned could claim exemption from British tax if his total income did not exceed £520 (about).

Foreign income is calculated, first of all, in the currency in which it is paid or received and converted into sterling at an average, rate of exchange for the year. Few complications arise here because records of all foreign currencies are kept at Cornwall House and the average rate of exchange for each is calculated as soon as the figures are available. In practice, the claimant needs only to return his foreign income in foreign currency and the authorities do the rest.

The term "British subject" bears the usual legal interpretation. It includes all persons, no matter where born, whose parents were British. It also includes all persons, of no matter what parentage, who were born in a British Dominion. Naturalized British subjects are also entitled to claim.

In certain specified instances, people who are not British subjects may claim a refund of United Kingdom Tax under exactly the same rules and conditions. These special cases include persons (or their widows) who have been employed in the service of the British Crown, persons employed in the service of a missionary society, persons employed in the service of any of the Native States under the protection of His Majesty, and persons—previously resident in the United Kingdom—who live abroad for the sake of their health or the health of any member of the family.

The claim form embodies a statement of income and charges on income, claims for the various reliefs peculiar to United Kingdom Income Tax, a questionnaire designed to elicit the particular title to claim, i.e., whether as a British subject and, if not, on what other grounds, and an affidavit which must be either sworn or declared before a British Magistrate, a British Consul, or a Notary Public in the place where the claimant resides.

The first claim is usually rather complicated but, once the title to claim has been established, the subsequent annual claims present little difficulty.

The claim must be supported by evidence that United Kingdom Income Tax has been paid. This evidence will normally take the form of the dividend warrant counterfoils issued with the dividend cheques. If these vouchers have been lost or destroyed, there is no need to shelve the claim on that account since duplicate counterfoils can be obtained for the mere trouble of writing (although some companies charge a fee of one shilling for each copy furnished). Incidentally, the provision under which notice of intention to claim can be lodged is very useful in cases where the vouchers are not immediately available.

The condition of residence abroad presents few difficulties in the great majority of cases. Anyone who has been out of England for the complete tax year (from April 6 to April 5) may claim. People who are normally resident abroad can claim in years when they visit the United Kingdom provided that they do not stay longer than six months. People who have just left England can claim provided they are able to show that they have gone abroad permanently (a rather loose word which may be interpreted as a period of more than three years).

In considering the question of claiming a refund of United Kingdom Income Tax, it must always be borne in mind that for British tax purposes a wife's income is her husband's. It often happens that a husband has no British dividends and, therefore, never thinks of claiming although his wife may hold some investments in British stocks or companies. In such a case, the husband should claim on behalf of the wife.

(Note: The author of this article is prepared to answer any question that may arise out of it or in connection with problems of United Kingdom Income Tax, foreign residence, and Dominion Income Tax Relief generally. Queries should be addressed to him by name, care of this paper.)

CHINA's leading meteorologists from all parts of the country will gather in Nanking on April 1 to attend the third convention of the Societe Meteorologique de Chine.

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POLITICS ON ROOF OF WORLD

Bickering and Intrigue Hinder Installation of Panchan Lama at Drashe Lhumbo

BY TIBETAN

Tachienlu, Feb. 6.

Rumours have persisted for more than one week that the Panchan Lama, the spiritual head of Lamaland, is now approaching Tachienlu. The Panchan has spent some considerable time in Amdo and has lived in the large lamasery at Kumbum and in the smaller institution of Raja. When Holong and Hsiaokeh and Hsu Hsiang-chien marched north from Sikang into Kansu and Shensi they must have passed very close to the Raja Lamasery where the Panchan has lived in solitude for some time.

Since his arrival there from Nanking and Peiping he has built up quite a retinue and many of his faithful followers from different parts of Lamaland have flocked to his

WELL EDUCATED LAMA
A member of the Red sect, this monk is sympathetic to foreigners.

standard. There is no doubt that he has still a very strong following and that there is one party in Tibet that still longs for his return seems quite certain. The Panchan, himself, a refugee from his own land and lamasery, is only too eager to end his wanderings and isolation and find once more a refuge in Drashe Lhumbo, his own spiritual home.

Negotiations have been carried out between Lhasa and Kumbum for more than two years and as far as one can hear the Panchan is now on his way to Tachienlu. What, it is now being asked, is the purpose of this move? That there is still some resistance in certain quarters there is no doubt; but why does it persist?

Three Parties in Sacred Capital

There are three praties in the sacred capital (Lhasa), namely, the Dalai's party, the National party and the Panchan's party. The young bloods in Lhasa form the National party and desire to see their country taking its place among the nations of the world. Apparently quite a legitimate aspiration and this party is a growing factor in the Land of the Lamas. It has no standing or paid army but boasts of a strong and well trained militia who will answer the nation's call at any time and under any circumstance. This young Nationalist party, which is not too sympathetic towards the lama and his dreams, still is a minor, however, in a country governed by priests and where the wealth of the State is in the hands of powerful and influential lamas.

The young men can do nothing without the help of the lamas or unless a very successful coup can be carried out. Again, Lamaism is strangely fanatical, and anything that touches the power, influence and wealth of the lamas will be stoutly resisted. The party is working hard to increase its influence and numbers, but Tibet is the Land of the Lamas, and unless the National group can offer some higher and better rewards than those offered in Paradise, their work will be slow and discouraging.

Slogans are as yet unknown in the sacred capital and "down with this" and "down with that" have not yet found a place. Imperialism and all the naughtiness attributed to it are unknown in the Tibetan hierarchy. Tibet is a perfectly free country: the young man of his own free will may become a nomad, lama or merchant, or may decide to become husband No. 4 in some polyandrous connection, and do nothing, leaving the privilege of working to his young and handsome wife.

Nationalist Aspirations

Nationalism has something up its sleeve and Tibetan sleeves are notoriously spacious. The Tibetan Nationalist Party is merely another form of pride and ambition and the young men who are advocating it are somewhat ashamed of the backward condition of their country. Why not become great and powerful like other States and enjoy a place among the nations of the world? But these things cost time, men, money and energy and Tibet has made religion, peace and Nirvana its objectives, and from these it will not be easily or quickly turned.

It goes without saying that both the Dalai and the Panchan parties are not sympathetic towards the young party. Naturally they see in it a weakening of their own power and influence with a possible end of Lamaism. What then is their attitude? From a lamaist and political point of view the situation in central Asia is quite interesting. The young party realize the power, influence and wealth of the great religious institutions scattered all over Lamaland. Drebung has nearly 10,000 priests, Sera has 5,500 and Galdan has 3,300, while lamaseries in the distant outposts such as Labrang with 5,000 and Kumbum with an even greater number send lamas to the sacred capital. In Sikang there are three institutions with 3,000 lamas and hundreds of lamaseries with less than 1,000 priests.

Organized Opposition

What can the young party do against such an overwhelming religious force? To invite and encourage a young monk to renounce his religious vows, marry a wife and become a layman, presupposes that someone will undertake to feed him and possibly keep him supplied with ready cash. In the early days of the I.L.P. it was frequently noticed how threadbare their pants could be and the peculiar slouch of many of its members. The young Tibetan party is still in search of funds and of wealthy men who will donate liberally.

For nearly 1,000 years, or from the days of Songdzen Gambo and Tresong Dedzen, the wealth of Tibet has steadily flowed towards the lamaseries, and still continues to do so. The young party desires to turn the material current from spiritual to political ends and use the wealth which they now consider as being wasted in useless and unprofitable superstition towards the building up of a modern State. The lama regards the aspirations and ambitions of the young party as mere Zeitgeist with the world, not heaven, as their objective, and therefore diametrically and eternally opposed to each other. The young Tibetan politican has set his mind very firmly on the things which are seen and temporal while the lama is gazing steadily at the things which are unseen and eternal. And therein is the crux of the whole question.

Intriguing Subordinates

Those who have had the opportunity of seeing and meeting the Panchan Lama have been deeply impressed with his quiet and saintly character. That he is other worldly there is no doubt and that he is a man of spiritual vision is unquestioned. The first Panchan was born in 1569 and died in 1662 and the present Panchan was born in 1883. His office has been largely, if not entirely, spiritual. Unfortunately he is surrounded, very largely due to his saintly character, by an unwholesome gang of rogues, who exploit religion for their own unholy ends.

That the Panchan desires to return to Drashe Lhumbo, his own spiritual home, is only one side of the programme. Drashe Lhumbo has a lama population of 4,800 and is an exceedingly well established institution. Mr. Bogle and other Europeans have visited this lamasery and were kindly and courteously entertained. History has shown that it has been quite difficult sometimes to be friendly with both the Dalai and the Panchan: it has either been one or the other.

Of all this, of course, this saintly man is quite innocent. He spends his days and nights in prayer and meditation while intrigue stalks unsuspected through the land. Jacob had a birthright and he foolishly and hungrily sold it for a mess of pottage. Both the Dalai and the Panchan have rich and long heritages, one spiritual the other temporal, and strings are being pulled on the Roof of the World to encourage the sale of these heritages for messes of indigestible political pottage.

The young party and the Dalai party have their own axes to grind and are not unwilling to play off one against the other. The young party, if to their advantage, will take sides with the Panchan against the Dalai party, and the Dalai party will take sides with the Panchan against the young party. But for all of this political and religious intrigue on the Roof of the World, the Panchan might have been installed in Drashe Lhumbo long long ago.

Fugitive in Strange Land

As it is he is still a fugitive in a strange land and a mere pawn in the game which is being played. The main actors in the drama are the young party and the Dalai party and one has very little power and the other has enormous wealth; one is in its infancy and the other is nearly 1,000 years old. The Dalai Party and the young party are both after temporal power; the Panchan seeks to exercise a spiritual influence. The moving scenes and different actors in the drama are worth watching as something must happen one way or the other during 1937.

Liu Ja-ju, first secretary to the Panchan Lama, is due here in a few days, and following him, some distance behind, so it is reported, is the Panchan. Liu Ja-ju is a young mission-trained schoolboy from Batang, born of a Chinese father and a Tibetan mother. He is versed both in Chinese and Tibetan languages and has served the Panchan for a number of years. He is well acquainted with the immediate border but has very little knowledge of conditions in the interior of Tibet.

The Panchan will find a warm welcome in Tachienlu and Sikang. The lamaseries and the incarnations

TACHIENLU WASIJAB LAMAS
Members of a wealthy lamasery, these fellows are described as "yellow."

await him and each wealthy home along the frontier has his picture in a prominent place in the main room. Sikang has very little interest in the internecine struggle going on, but is keenly interested in the coming Dalai and the present Panchan. Should the Panchan settle for a time either in Tachienlu or some of the larger institutions in Sikang he will greatly increase his influence and prestige.

Powerful Litang Lamasery

Litang with its 3,000 lamas has produced two Dalai Lamas and another I think was born at Gada. Sikang sends more priests to Lhasa than any other part of Lamaland and has therefore great influence in the sacred capital. Should the Panchan or his followers secure influence, his safe return to Drashe Lhumbo will not be impossible. With a strong lama support from Sikang behind him it is not likely that Lhasa will refuse the overtures from this part of the country, and this no doubt is what the Panchan is banking upon.

So far there seems to have been some measure of harmony in lama world. Outside of Lhasa the lamas recognize the Dalai as the temporal and the Panchan as the spiritual head of Lamaland. There is grave danger, however, at the present moment that this harmony may be destroyed and definite Dalai and Panchan parties rise throughout the country. Of course this exists to some extent in the sacred capital but in the provinces this is quite unknown. With the discovery of the new Dalai and the return of the Panchan there is little likelihood of the Young Party rising to any position of power or influence.

DARK days have come for the gypsy folk in Germany in so far as their traditional roving life is concerned. A high German official in the province of Liegnitz has worked out a scheme whereby they will become permanently domiciled in settlements in the vicinity of towns. They will have to renounce fortune-telling, poaching, and begging and to be content to remain under the eye of the law and the health authorities. Germans will also be instructed to be less liberal towards the tribe.

WASHINGTON, D.C., postal officials announced on March 8 that, effective with the Pan-American Clipper aeroplane due to depart from San Francisco on April 21, air-mail service will be extended to Hongkong by way of Macao. Connection will be made at Hongkong with the Chinese air-mail system, and the British air-mail route for the Straits Settlements, Siam, India, with connections for Australia and the Netherlands East Indies. The reduced rates previously announced for the U.S.-China service, will take effect at that time.

KWANGSI EXPERIMENT PROMISING

Militia Turning Peasants Into Good Citizens: Regimentation of People for Peace and War

SPECIAL TO THE "N.-C. HERALD"

A political experiment is being carried out in Kwangsi province which may easily affect the whole of the future government of China. This is the formation and training of a provincial militia which includes not only military preparation for a possible war, but also a mobilization of the civilian population in all departments to meet the same eventuality.

Why this experiment should have been originated in Kwangsi—a province lacking in resources and unable to pay for any large military preparations—is not altogether clear; except that its immediate rulers, Generals Li Tsung-jen and Pei Tsung-hsi, are both militarily minded and inclined to preserve the provincial government in a state of semi-autonomy. Nethertheless they have cultivated an idea which may yet bear fruit in other parts of the country and have an unexpected influence upon future developments in government.

The militia of Kwangsi is not of the same nature and not for the same purpose as the militias with which Chinese history and acquaintance with other parts of the country have made most people familiar. The Kwangsi militia is differently organized. It may briefly be described as a training school for collective or community life. In introducing it, its sponsors have made its aims clear.

To Meet Modern Demands

General Li Tsung-jen said in regard to it: "The word militia is not a new term; nor is its organization a novel undertaking, but the militia of Kwangsi is organized to meet the demands of modern times. Its nature and system of organization, therefore, are different from those of the militias of other places and other times. Its aim begins with the reconstruction of Kwangsi and ends with the rejuvenation of China. As a member of the community, the militia man's mission is to preserve order in his home town or village; as a citizen his mission is to defend his nation against aggressors.

"The second meaning of the Kwangsi militia as an organization is to bring about the realization of political democracy. In government administration we oppose dictatorship. We recognize democracy, not dictatorship, as the political highway. The principal element of a state is its people, whose political rights should be nurtured, not suffocated, so that their self-governing powers may be developed. Then, and only then, can the nation be said to be a nation of the people. For it is only when public opinion commands respect that democracy can be said to exist.

"Article 11 of the 'Outline Plan for the Construction of the Province of Kwangsi' reads: 'To organize and train the people of the whole province with the prevailing regulations applied to the militia; to cultivate their powers of self-protection, self-support, and self-government, through which the foundations of true political democracy may be laid.'"

"Such is the highest political ideal of the militia movement in Kwangsi."

A slightly more detailed account of the objectives of the movement is given by General Pei Tsung-hsi. He says: "Our decision to train the militia was arrived at as early as 1930. To train the students and to bring the people of the whole province under organization, that we may be prepared for the great crisis of the next world war. Our aim and purpose in training the militia are that, politically, they may be capable of self-government; economically, they may be capable of self-support; and militarily, they may be able to defend themselves. It is only when the people of the entire nation are able to govern themselves, to support themselves, and to protect themselves that the Chinese race will be able to rise from the last struggle in the vortex of the next world war."

Ideal of All Government

General Pei's vision of the plight of Kwangsi in the next war need not be taken too seriously. When and if the next war breaks out, Kwangsi will probably be at the opposite pole to that round which the strife is raging. But nevertheless the Kwangsi generals have set as their aim the ideal of all government—self-support, self-defence, and self-government—and the means by which they hope to arrive at their goal are worth examination.

In organizing the Kwangsi militia, stress is laid upon developing the strength of the lowest stratum, for which reason the "village" or the "street" (in the case of a town or city) is taken as the unit. A certain number of "village" or "street" units form to make a "district" or "town" unit. The next larger unit is the "county" or "hsien." The hsiens combine to form a "militia section." The province is divided into eleven "militia section", viz: Nanning, Wuchow, Yulin (Watlam), Sinchow, Liuchow, Hsingyuen, Kweilin, Pinglo, Lungchow, Paisih and Tienpao. For each "militia section" there is established a Sectional Command. All eleven sections are under the supervision of the highest provincial authorities, that uniform control may be achieved.

The militia is classified into the Regular Corps, the Emergency Corps, the Reserve Corps, and Public Employee's Corps.

The Regular Corps is subdivided into class A, B, and C troops. Class A troops consist of 90 men; Class B troops, 72; and Class C troops, 60.

The training officers and assistant officers are appointed by the Chief Militia Command, to train the militia men in their respective localities.

The Emergency Corps is made up of retired militia men from the Regular Corps.

The Reserve Corps

All able-bodied men between the ages of 18 and 45 who are not serving in the Regular Corps are called to serve in the Reserve Corps, to receive training in the respective localities of their domicile. According to regulations in force, those between the ages of 18 and 30 are admitted to the "A" troops. Those between the ages of 31 and 45, to the "B" troops. Each troop is commanded by a captain, with a group-captain to each district or town and a county-captain to command the groups in a given county.

The post of captaincy is concurrently filled by the village "elder" or the chairman of the street committee; that of the group-captaincy, by the district mayor; and that of the county captaincy, by the county magistrate.

The Public Employees' Corps is composed of public employees who have had previous military training.

The methods of training the militia have the advantage of introducing a certain amount of organization and discipline into the masses, but have the serious disadvantage of taking men who are ill able to afford it away from their farms and land and forcing them to make ready for a war which may interest them not at all. In theory the methods are good; in practice, it is doubtful whether the discontent they arouse is worth the potential efficiency they create.

A training school for militia officers, the Militia Officers' Training Academy, was established last June, to centralize the work of training those who will guide the movement. The present enrolment is 2,757. The cadets are all recruited from senior and junior middle school graduates. These are classified into three groups; senior middle school graduates, or those with the equivalent educational standing, are admitted to Group I; they are trained for six months. Junior middle school graduates are classed as Group II, and receive ten months' training. Junior middle school students who have completed at least one year's study are put into the third group; their training is eighteen months.

Type of Training

The training consists of the usual military and physical instruction, anti-aircraft and anti-gas measures, and also embraces a very much wider field. In this field are included the rudiments of good citizenship, an elementary knowledge of political organizations, the knowledge of simple birth control, afforestation, the planting of crops according to modern scientific investigations, cattle raising, and road construction. All these subjects are taught by means of lectures, practical demonstrations, group discussions, and investigations of the machinery of village government. Upon graduation the cadets are considered capable of taking the lead in helping their fellows to reach the three-fold objective of the movement—political, educational, and military—and to take a responsible part in the administration of government in their own districts. Through their assistance it is hoped to reorganize the whole rural constitution of the province, until the very last man, woman and child is aware of his responsibilities towards the province—and ultimately the nation—and is fitted to carry them out.

As at present performed, the training of the rank and file of the militia is interfering considerably with the daily work of the peasants in the province—men who live, as a rule, in a somewhat hand-to-mouth manner and can ill afford to be away from their fields. The peasantry are instructed in the national laws and ordinances, political organization, police regulations and the punishments inflicted for breaches of them, and other items calculated to improve their efficiency as citizens, as

(Continued on page 478.)

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BY FRANCES RUSSELL

I flew to Hongkong!

Yes, you say, but what is new or exciting about that. Lots of people fly to Hongkong, Canton and dozens of other places in China. Why, scores of travellers are now crossing the Pacific in the giant Clipper ships. It's no uncommon thing for air-minded trippers to go by air from Hongkong to Penang and thence by Imperial Airways to London. Mme. Wellington Koo flew by Air France from Paris to Hongkong just the other day.

Well, I know all that and I've travelled by aeroplane too, many times—but this time I flew to Hongkong, after waiting two years.

The C.N.A.C. Shanghai-Canton service started in January, 1935. Since then the two Douglas Dolphin flying boats that fly between Shanghai and Canton three times each week, making brief stops at Wenchow, Foochow, Amoy, Swatow and Hongkong, have carried 2,684 passengers and 35,255 lb. of domestic air mail.

South China's Coast

The fact that so many others had made the trip and went into such ecstasy over the South China Coast made the thoughts of an air-trip to Hongkong seem irresistible. To go there by steamer seemed utterly dull and prosaic. But there were no vacant seats in the 'planes. Travel by air was becoming increasingly popular in China.

You'll never get there, said friends. The weather was too hot, then too cold. Work piled up. There was political unrest in Canton. Nanking government officials flew back and forth, holding important conferences. Then the Clipper ships came to the Philippines and business men flew as far as Hongkong and hurried by steamer to Manila to make connections. Others flew to Hongkong to connect with the Imperial Airways' "Dorado" which flies to Penang.

Mumps and Weather

Chances seemed more vague than usual. Then, I got the mumps.

Get away from Shanghai for a few days, the doctor said.

Leave granted, the office said.

There's a vacant seat in Thursday's 'Plane, the C.N.A.C. said, but warned, "This is the worst flying weather of the year, you may be grounded for any length of time at one of the stops along the way."

I was off, or so I thought. A dream was about to be realized.

There seems to be some obscure and uncomfortable rule agreed upon by all transport people that 'planes, trains and steamers must depart at some unholy early hour about dawn. The night before I was to begin my long anticipated flight I left a call for 4.30 a.m. I wanted to be sure and be at Lunghwa aerodrome in plenty of time. I was.

I arrived promptly at 6.15 a.m. according to instructions. The waiting room at Lunghwa was filled with air-travellers and friends to bid them bon voyage. The Douglas 'plane took off for Peiping at 6.30. Then at 7 a.m. the Ford 'plane took off for Nanking and Yangtze river ports. Still the passengers for the Douglas Dolphin waited. One, a Mr. C. L. Lieu of Foochow, had been waiting for three days, held up by bad weather, because the 'planes just don't go if there's any danger. Since opening this line to passenger service in 1935 a strict "Safety First" policy has been maintained. The South China Coast, beautiful as it is, is also dangerous when obscured by low hanging mists and fogs, even steamers far out at sea must proceed with utmost caution.

A Veteran Pilot

The pilot on this trip, Capt. Cecil Sellers, who this month is celebrating his twentieth anniversary in aviation and who, by the way, has one of the finest reputations in flying transport service, stayed close to the radio room where weather reports were being flashed at twenty minute intervals.

By this time the Shanghai fog had lifted and the passengers were impatient to be off. The waiting room was cold and lonely. Outside the sun was shining brightly. But Wenchow was draped in fog and the bottle-neck entrance to Foochow was dense with overhanging mists. Unless it's "All clear," all along the way the 'planes just ride the tide attached firmly to the float and would-be passengers grit their teeth and occupy their time as best they can. Of course it is better in the long run and the world has come to realize that the days of dare-devil heroic flying are over. It is a staid, steady business now.

An Interesting Place

But an aerodrome is an interesting place to visit. The C.N.A.C.'s at Lunghwa is a bee-hive of activity. Mechanics are busy assembling new ships. On this occasion dozens were working on General Chiang Kai-shek's new Sikorsky. (One just like it will be ready by the first of April for the Shanghai-Canton run.) Others were busy overhauling 'planes already in service and doing the countless things necessary to keep the machinery in good condition.

Breakfast time came. The C.N.A.C. provides meals right at the aerodrome for all the workers. The two other passengers and myself were invited to the mess for coffee to keep us warm and happy. Lunch time came and passengers again ate with the pilots, engineers and mechanics. It was good food, too.

We'll wait until 2 o'clock and if weather conditions are not favourable then we'll cancel and try again to-morrow, the pilot said, and a bit wearily too for he'd risen at 5 a.m. the three preceding days.

We're Off!

By this time we'd given up all thoughts of going. I was just preparing to return to the "North-China Daily News" and type out more interesting recipes and latest fashion

A Bee-hive of Activity

notes, when the C.N.A.C. agent popped in and shouted, "Canton 'plane takes off in 20 minutes."

We were off. Actually. We taxied for a few minutes over the waters of the Whangpoo, then with a roar of the powerful motors rose into the air, circled the aerodrome and headed out over Hangchow Bay toward Wenchow. We flew low, hugging the coast, at no time rising higher than 4,000 feet. It was dull and cloudy and in the plane, very cold. My feet were frozen. The pilots, I learned later, wear ordinary rubber over-shoes, to keep the body heat in and the cold out. Soon we were at Wenchow where hot tea was ready for us. We dipped, circled the old walled city and came down in the shadow of an ancient Pagoda and taxied to the company's float. After re-fuelling we took off and arrived in Foochow shortly before 5 o'clock.

The Lacquer City

Now Foochow may be an interesting place but hotel accommodation is anything but luxurious. Foochow was the destination of the other two passengers so I accompanied the pilot and co-pilot to the Eastern Hotel which advertises each room with private bath (and what a bath) but says nothing about the many little inconveniences.

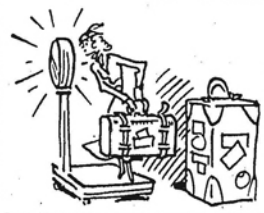
Foochow is the lacquer city and this ware is known the world over so for those shopping enthusiasts Foochow is not a bad place to stop-over. A short shopping orgy before dinner, which was surprisingly good, and then sleep until 4.45 a.m.

Weather conditions were favourable this time and we took-off shortly before 7 o'clock. It is almost impossible to describe the beautiful China Coast, especially when seen with the early morning sun casting a red glow over the unusual rock formations that project far into the sea.

In less than an hour we were at Amoy where Mr. C. S. "Chile" Vaughan had been grounded for five days because of the bad weather which had delayed the Shanghai 'plane in reaching him with a new valve. He was impatiently pacing the deck of the barge (formerly a smuggling ship which had been confiscated by the Chinese Government after being captured bringing in goods from Formosa and evading the Customs). He was anxious to be back in Shanghai in time for the opening of his wife's singing engagement at Ciro's on Saturday night. And anxious also for clean linen, and the chance to carry his five passengers on to their destination.

A Good Trip

Little time was spent en route to Swatow and Hongkong because Capt. Sellers was anxious to reach Canton before noon and return as far as Foochow that same day. So, at 17 minutes past ten, after flying over Bias Bay and the lovely blue waters that surround Victoria Island, Capt. Sellers brought the ship down alongside Kai Tak, the Imperial Airways' aerodrome which promises to be one



Lost Two and Gained Several Pounds

of the busiest commercial aviation centres in the world within a few months.

I had arrived in Hongkong. (It was really Hongkong that I'd wanted to visit two years ago but at that time the C.N.A.C. had not received a permit from the British Government to land there.) Actually the trip, with tail-winds all the way had taken only a little more than 6 hours flying time from Shanghai to Hongkong. And it had been a lovely trip with only a *soupcon* of bumpy weather, and that not worth mentioning. We arrived several hours ahead of the ss. President Hoover to which two passengers had transferred because of delay in the plane's leaving.

Blue Sea and Sky

The sun was shining brightly the day of my arrival in Hongkong. Green-covered hills, the famous Peak rising high into a bright, blue sky, sun sparkling on blue, blue water. It did the heart of a tired Shanghailander good. It seemed impossible that anywhere could there be people living on a flat mud swamp with dark brown water everywhere.

Then the sun went under a cloud. Hongkong's famous mists descended over the Peak and the mountains were completely concealed in a curtain of white. The next Shanghai 'plane arrived in all of this, went on to Canton and returned the following day in extremely "soupy" weather, and remained grounded from Monday until Thursday.

Inside Information

This gave me another opportunity of getting an inside view of aerodrome life, this time at Kai Tak. Supposedly scheduled to leave on Wednesday, March 3. I arose again at 4.45 a.m. and in the blackness of just before the dawn, made darker by fog and mist I crossed the bay, accompanied by a very polite employee of the C.N.A.C.'s Hongkong office. We hurried from ferry to motor-car and then to aerodrome where my luggage and I were weighed (I'd lost two pounds and gained several in baggage) and joined a Mr. Bertram Barrett of Manila and a Mr. Leighton of Tientsin, the other two passengers and who, by the way, had been waiting since Monday to take off.

In a little while the pilot, Mr. Edward Smith, came down from the radio room. "Prospects," he said, "were none too good." We'd just have to wait. We did. We unpacked our prettily prepared lunches and ate sandwiches at 9 o'clock. We read magazines, we wandered around the air field in the rain. At 10 Mr. Leighton paced up and down nervously.

"The Asama Maru leaves in an hour," I ventured. In less than that time Mr. Leighton had his luggage off the 'plane and was on his way to the N.Y.K. dock. The other passenger and I read. The pilot, one of the C.N.A.C.'s best, spent his time in the radio room. He was kind to us and kept us in touch with the weather along the way. The Shanghai 'plane just left, he told us, about 10. 30. It was nearly 11 when Mr. Smith, one of the few transport pilots who trained in the old barn-storming days of flying 13 years ago, came down and said he was going to take off.

We Turn Back

"Don't hold it against me if I turn back," he said, "but the weather is clearing." Off we rushed. It seemed hours that the pilot spent warming the engines. At last we were up. Down below us was the Asama Maru steaming slowly through the narrow gateway of the bay. We dipped low in salute to our Mr. Leighton. It was foggy. The ceiling to me, a complete novice as far as aviation technicalities are concerned, seemed the famed and fearful zero of the film thrillers when the pilot risks all and noses his machine into a mountain just because the mail must go through.

I think I'll tell Mr. Smith to turn back, I thought, after all I have met him at parties and he'd feel pretty bad if he knew I was so worried. But just when I was wondering if pilots were really human after all, or if their eyes were something special, the 'plane dipped, turned and we were headed back to Kai Tak. We saluted again as we flew over the Asama, but not so blithely.

A Trip is Cancelled

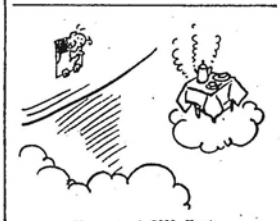
We'd gone just 70 miles in all and used an enormous amount of gasoline. We returned to the aerodrome's waiting room, our electric heater and magazines. The pilot watched the weather report, the other passenger began working out intricate problems with a slide rule (later he passed the time away cutting out paper dolls and difficult doyley designs from paper.) We learned that the Shanghai plane had turned back to Lunghwa long before. We had tiffin and at 3 o'clock the pilot officially cancelled the trip and we all returned to our hotel.

The next day we started all over again. This gay group of three. We'd made pleasant arrangements for another day at Kai Tak but as usually is the way we were disappointed and a little before 7 we took off, the sun shining for our special benefit.

True, we flew through clouds at times but visibility was good and ceiling reasonably high. We thought we'd get as far Swatow. I'd made up my mind to go shopping for linens and lace. No luck, the weather got better, although after leaving Amoy we did fly above 900 foot mountains with a 1,000 foot ceiling.

Above The Clouds

It was bright and clear in Foochow where we picked up another passenger, a Customs man from Nan-



Hungry at 7000 Feet

king and one of the two on my down trip.

"Wrap up and put cotton in your ears" advised the pilot, looking skyward. "I'm going to fly above them." The mountains, I thought he meant.

Up, up and up we went, smoothly, gradually. Everything was a dazzling, blinding white. Why, we are in the clouds! Three thousand feet, then four, then five, then six, then seven thousand. The engines purred. We hardly seemed to move. All above was blue sky....and below as far as eye could see a billowing sea of clouds, cottony white. Every once in a while through a sliver-like break miles below could be seen the top of a mountain, or a cloud's shadow on the water. This I thought, is heaven.

Beauty and Hunger

Then suddenly I remembered. I was hungry. I'd had no breakfast. No lunch, and so in the midst of all this blue and white beauty at 7,000 feet in the sky I ate not one—but a dozen sandwiches.

I hope this never ends I breathed. But it did. We were coming down, slowly, and then we were at Wenchow.

We flew high and smoothly and almost without motion again, this time in a cloudless sky over range after range of mountains. Down below spread Ningpo like some huge prehistoric monster, flattened by some avalanche that later had been scraped away. Winding, wide ribbons of brown streams through flat green and beige patches with here and there a bright rectangle of yellow mustard signalled that Shanghai was near-by.

Amidst The Junks

Then over the dull grey yellow of Hangchow Bay that merged with sky of the same colour so that one could not tell where bay left off and sky began we flew smoothly and steadily into the flat countryside of Shanghai, then zoomed down over the Whangpoo and the pilot miraculously brought the flying boat through the maze of junks and other river craft alongside the float at Lunghwa. I was in Shanghai. The journey was over. A two years' dream had been actually accomplished. And the Asama Maru with Mr. Leighton was not expected until 5.30 p.m. the day following.

Air-Minded China

As I walked toward the Customs and Immigration officers I heard a voice (which must have been mine) saying I must fly in that. Let's see, just mumps, now who do I know who has the measles!

But there are lots of people in China who are air-minded. The C.N.A.C. usually is booked full, as statistics prove.

In 1935 the two Douglas Dolphins, with a seating capacity of six, carried 1,008 passengers or an average of 84 per month. In 1936 there were 1,485 or an average of 124 passengers. In January of 1937 there were 191 passengers.

In 1935 these two planes carried 8,670 lb. of domestic mail (international mail is just beginning) or an average of 72.2 lb. per month. In 1936 there were 22,765 lb. carried or an average of 1,900 lb. per month and in January 1937 there were 3,820 lb. carried.

KWANGSI EXPERIMENT PROMISING

(*Continued from page 477.*)

well as the elements of military knowledge. Each man is taught how to handle and care for a rifle, even though in practice there are not enough rifles to go round the whole population and very far from enough ammunition to make the training effective in an emergency. This training lasts for four months and is carried out in the neighbourhood where the recruit resides.

The Emergency Corps militia men are called for training and drill once a year on a proclamation issued from the Headquarters of the County Military Commander. This training is protracted over a period of four years. In addition to the subjects of study applied in the case of the Regular Corps, the Emergency Corps also receives training in the arts of anti-air raid and anti-gas defences.

Units of the Reserve Corps are grouped into three each, under the command of one training officer and two assistant training officers. The training season for the urban localities is between March and August and for the suburban localities, between September and the following March. Each training term lasts two to three months; the daily session is two to three hours, till the quota of 180 hours of training is made up.

According to statistics compiled by the Political Tutelage Bureau of the Provincial Government, militia men who have completed the prescribed training up to last June, numbered 818,237 for the whole province.

Training for the Public Employees' Corps is approximately identical to that for the training of the Reserve Corps, except that subjects in the curricula are more advanced. Commanders of military units stationed at the respective localities serve as training officers for these Corps. About 10,000 have completed training in these Corps.

The effect of these measures has been good in more than one respect. Kwangsi province has been very largely rid of bandits. There is a local saying that: "If there are mountains there must be caves. If there are caves there must be bandits." And this saying was all too true. The people of the province had come to look upon the evil of banditry with resignation. There seemed to be no way to free themselves from it. The new militia system has provided a solution of the problem, and to-day there are few bandits to be found in the length and breadth of the territory.

The experiment is an interesting one. Its inconveniences—the interference with the domestic life of Kwangsi citizens, the cutting into the earning time of peasants who have to work nearly twenty-four hours a day in order to get enough to live on, the potential dangers of teaching a people accustomed to the hardships of an unfertile soil the use of fire-arms by which they may intimidate their neighbours—all these and other evils which can be cited may easily be counter-balanced by the good done in regimenting a population which has been unused to discipline and teaching it the rudiments of modern thought, both social and political. Kwangsi should by nature be a weak province; in practice it is a province which must be seriously taken into consideration in all national politics. In comparison with Kwangtung, it is poor in resources; but in power and influence it overshadows its more wealthy neighbour.

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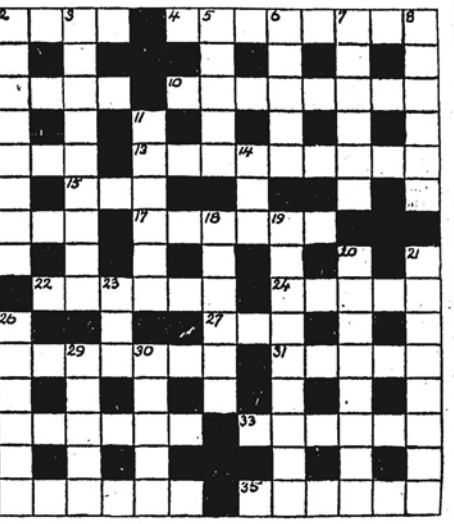
LONDON CROSS-WORD PUZZLES

(By Arrangement with the "Daily Telegraph.")



ACROSS

1 The science that puts a healthy colour in the lad
4 This Soviet district is as in a political association
9 One of our famous men-of-war doubtless
10 Might be either to talk or the opposite
12 This land is in Africa
13 The relative to keep the approach to the house clean?
15 A skate belongs to this class
16 Only a little spot
17 Does this describe how the making of a boot is finished?
22 My ties have got into an awkward situation
24 Antonym of a glee?
27 This kind of tax should be paid now
28 Kind of rock, not relic
31 An American always includes this river in his tour of England
32 In due order from air times
33 Territory
34 Cook should show this skill
35 Makes five this

DOWN

1 This makes a brass one
2 This was a famous British castle
3 English town that manufacturers always are glad to reach
5 Get on in the drink by yourself
6 You would have to halve the last letter of this palindrome to make it polite
7 Base
8 Fast
11 Shelter
14 Place to upset a sheep
16 It would not be cannibalism to eat these men
19 An attractive mineral this
20 Usurp
21 No, these parts of your car will not help you to find your way
23 Still
25 In Radiography sick people get some aid to health
26 One word for more than one is after all scarcely singular
29 In extent I make a country
30 Species of willow

ACROSS

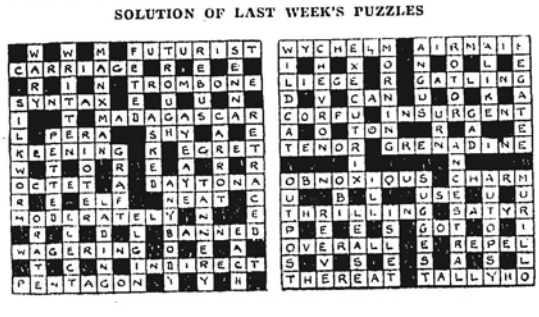
1 This sort of talent may be an achievement
9 In low spirits after a beating perhaps
10 This Indian town had an unfortunate page in its history, but shows better fortune at this time
11 Metal
12 Lure
14 Trudge
16 The foreigner whom we recognise as a learned man
18 Could one in camp get an ulster from him?
20 This gas may be a feature of modern war
21 This kind of charm is apparently able to be upsetting
22 A bad Oriental
24 Cereal food that meant money once
27 Cut
29 What might be the high sea might also be the principal channel
30 The pause in colonial expansion
31 China often loses a little through this
34 This probably means the doom of a fish and in a fish too
35 Most of this material decoration has little weight
36 Proverb of toleration (four words)

DOWN

1 The magnitude is to be seen in the scene of trials
2 A powerful piece of furniture
3 Feminine name
4 Stayed temporarily yet firmly fixed
5 Fish
6 Cook uses this badge of office
7 Perplex
8 From this country we get the product we send
13 Management
15 A family of statesmen
17 An important export from the East
19 Quadruped
20 Quadruped that may help to ballast a yacht
22 Any amount of cheering up will not banish this depression
23 Wine
25 Sounds like a poor part of Africa to make one's home
26 Chief
27 A famous pirate
28 Sad
33 A bad product of either end of 36 across
33 Either an obstacle or a means of escape for a burglar

The solutions will be published next week

SOLUTION OF LAST WEEK'S PUZZLES



Sixty Years Ago

FROM THE "NORTH-CHINA DAILY NEWS," OF MARCH 10, 1877.

It is proposed to despatch a first-class steamship, fitted with extra comfort, on or about the first week in April on a pleasure voyage round the world. The voyage will include long stoppages at some places and short delays in others, and is estimated to occupy about nine months. The vessel will start from London. It is proposed to call at Bordeaux, Corunna, Vigo, Lisbon, Cadiz, Gibraltar, Tangiers, Algiers, Barcelona, Genoa, Spezzia, Naples, Messina, Malta, Piraeus, Constantinople, Smyrna, Joppa and Alexandria. The vessel will then proceed through the Suez Canal, allowing sufficient time for the passengers to visit the Pyramids and other objects of historical interest in the neighbourhood. From the Red Sea the vessel will proceed to India, Indo-China, China and Japan. At San Francisco passengers desirous of visiting the scenery of the North American continent will be provided with free railway passes to New York, whence they can again join the vessel. After leaving San Francisco, it is intended to skirt the shores of South America, touching at all the chief ports. The vessel, after visiting the West Indies and touching at New York, will return to England. The fare for this pleasure excursion will be £500, including everything except wines and spirits.

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF MARCH 11, 1877

At a meeting of the new Council, held yesterday Mr. Hart was elected Chairman, and Mr. Lavers Vice-Chairman, and the following committees were arranged:—

Defence..Messrs. Hart, Low, McLeod.
Finance... „ Cowie, Hubbe, Lavers.
Watch..... „ Hart, McLeod, Seaman.
Works..... „ Irving, Low, Siegfried.

* * *

It is understood that a first instalment will be paid to shareholders in the S.S.N. Co., at the end of this month; and rumour names Tls. 70, as the probable amount. The report must be founded, we presume, on a belief that the Chinese are likely to further hasten their payments.

* * *

Mr. W. M. Cooper has again taken charge of H.M. Consulate, during the absence of Mr. Davenport, who has gone to Wuhu to make arrangements for the opening of that port.

* * *

A paragraph from "The Times" of January 8, quotes a declaration, bearing 200 signatures of insurance companies and underwriters, protesting against what is known as the Liverpool form of average bond, and approving the rules issued by Lloyd's, which is, we believe, prevalently used in Shanghai.

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF MARCH 12, 1877.

The griffins offered for sale on Saturday at the Horse Bazaar did not command very big prices. Tls. 75 was we believe the highest obtained, and a few more were sold at for Tls. 60 to Tls. 45. It is reported that some 600 ponies will be offered for sale in the course of the next month.

* * *

We hear that a slight disturbance took place at Ichang, after the English Settlement had been marked out. The Mandarins told the people beforehand what was going to be done, and that when all was settled they would be paid a proper price for their land. A site was agreed upon by Mr. King and the officials, and boundary stones were put down. But the people, seeing these placed before they had been paid, took an idea that they were going to be squeezed out of their land for the benefit of foreigners, and began to pull them up and throw stones rather freely at the visitors. They were however quieted, and no actual harm was done. This, at least, is the report which has reached us.

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF MARCH 13, 1877.

The dedication of the Tszetang, or Memorial Hall recently erected by Feng, Taotai of Shanghai, at Sungkiang, in commemoration of the late General Ward, of the "Ever-victorious Army," was performed on Saturday, with religious rites, in accordance with Chinese custom in such cases. The Taotai had, through Mr. J. C. Myers U.S. Consul-General, expressed his intention of conducting the ceremony himself, and requested that a limited number of invitations should be given to persons interested, to accompany him. The Customs cruiser Kwashing, was prepared to convey His Excellency and his guests, and 7 a.m. was the hour fixed to commence the trip up the river Hwangpoo. Assembled at the Custom House jetty were, Mr. J. C. Myers, Mr. G. B. Glover, Dr. Yates, Dr. Macgowan, Dr Kreyer, Mr. P. G. von Mollendorf, German Consul: the Hon. R. N. Shore, H.M.S. Lapwing; Captain Ditmar of the German corvete Luise; Mr. D. Deinghton-Braysher and Mr. J. R. Black. The weather was dull and cold, but luckily the rain kept off. On alighting from his chair, the Taotai was met and greeted by the Low and the Hwating magistrates (district of Sungkiang). A number of other officials of lesser grade were present, and numerous soldiers, in addition to the Taotai's bodyguard, thronged the compound. The greetings over, the Taotai led the way to the shine, and both he and the other dignitaries then donned their official robes. Although it was broad daylight, twelve lighted lamps were suspended from the roof—eight in one row and one at each of the four corners of the shrine. Besides these, there were four large red wax candles burning, and incense sticks slowly smouldering away. The ceremony being one of sacrifice there were offered to the names of the decreased the entire carcasses of a goat and a large pig, a small roasted pig, a ham, several pairs of ducks and fowl, and about 20 dishes of fruits, confectionery, and vegetables—the whole of these being also in pairs. The Taotai and the two district magistrates being fully attired, they advanced to the front of the shrine, and in obedience to the direction of a sort of master of the ceremonies, the Taotai commenced the oblation by offering several small cups of wine, which were deposited on a shelf in front of the tablet. Then all three kneeling, the Taotai stretched forth his hands towards the tablet, and offered the food, the mandarins subsequently bowing their heads nine times to the ground. A little music was also played, and the ceremony, which scarcely took 20 minutes, was concluded by loud discharges of fireworks and the crash of gongs. The ceremony was a novelty and picturesque, it was interesting from the fact of its being intended to honour the memory of a foreigner, and including precisely the same observances awarded in the case of high Chinese officials.

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF MARCH 14, 1877

A good story comes to the Birmingham "Post" concerning a town-bred curate, who had consented to do duty on Sunday for his friend, the rector of a country parish in the Midlands. The subject of the morning sermon was the parable of the prodigal son, and in the hope of impressing upon his hearers the joy which the patriarch felt on the return of his son, as instanced by his ordering the fatted calf to be killed, the young curate felt a pardonable pride in dwelling upon a subject which could not fail to be comprehensible to the dullest ploughboy in the congregation. "Remember," he said "this was no ordinary calf which was to be killed: it was no common calf of beast suffering from murrain; no half-starved calf, slowly awaiting death. No it was not even merely a fatted calf; "but becoming more impressive," it was the fatted calf, which had been prized and loved by the family for many years!" A sea of wide eyes and gaping mouths arrested for a moment the eloquence of the fledgling parson, and in the next there was such a cackling and grins and fluttering of old heads below, as had not been witnessed even in the memory of the quaint-legged sexton for more than "many years."

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF MARCH 15, 1877.

Our Paris correspondent writes:—The first grand Presidential ball was magnificent and successful; it was remarkable not only in point of numbers, nearly 5,000 persons, but in the exquisite taste of the decorations, and the presence, for the first time, of several advanced Republicans. Owing to the smallness of the Elysee, the rooms were overcrowded; the guests commenced to arrive at ten, and left at four in the morning, having two rooms in which to dance, one of the orchestras being led by Strauss. The Russian and Turkish Embassies were the observed of all observers, and perhaps a disappointment was experienced by some that the respective secretaries and attachés did not seize each other by the throats, instead of conversing like gentlemen for a long time. The toilettes were sober—rich but not gaudy; and diamonds, lace and feathers were largely relied upon to supply the absence of good looks. It is a common observation how few handsome ladies are now to be encountered at a Parisian soiree; if matters do not mend in this respect, the dot of a young lady must be increased if she is to be got off pap's hands. At the second ball it is to be hoped young men will not await the opening of the supper gallery with appetites recalling some of the inmates of the Zoological Garden; it was positively shocking to observe the youthful commis, ranged five deep before a buffet, totally oblivious of ladies waiting to arrive at the front. These young Gargantuans seized cold comestibles, devoured foie gras, truffles, and oates, followed by charming rations for a twelve month. They evidently adopted the motto of the host—"*J'y suis, J'y reste.*"

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF MARCH 16, 1877.

In acknowledging receipt of the $1,000 Concert money, which was remitted to Chefoo last week, Mr. Jamieson writes that it will be at once transmitted for distribution, and will, he is sure, be appreciated as it deserves. "The officials have often thanked me for the little we did here, and I am sure they will be keenly touched with these new marks of sympathy." Mr Richard has given such a graphic description of the distress prevailing in Shantung, that it is almost superfluous to attempt to supplement it. As corroborative evidence, however, we may quote a passage from a letter, dated March 6, by the Rev. Hunter Corbet, who says, "Many of our converts have been living for months on beancake, others who could not afford even this are livnig on the dried vines of the sweet potato and on bean straw."

* * *

A Hankow correspondent writes that the Kestrel is reported to be still badly ashore about 40 miles below Ichang.

IN PARENTHESIS

Over-Heard in Shanghai

MUSIC Lover to friend of doubtful musical proclivities:—Did you hear the "Messiah" in the Cathedral?

Friend:—Yes, I did.

Music Lover:—And how did you like it?

Friend:—Oh, I've heard it before!

* * *

Gem

A BOND Street jeweller told us this week-end that the ancient and poetic custom of selecting gems according to their supposed influence on the wearer is returning, in a small way.

The amethyst, ensuring temperance and chastity, is most popular among smart hostesses at the moment.

* * *

Natural History Note

To the Editor of "The Daily Mail."

Sir,—When fishing the other day I caught a small pike, and while taking it off the hook to return it to the water I heard it give a distinct cry like a "cheep-cheep, cheep-cheep."

I wonder if any other angler readers have had a similar experience. I have been an angler for many years, but have not heard of another case.

Sudbury. H. Capon.

In Parenthesis arrived home one night and caught one of his goldfish singing. He's quite sure about it, because he only had a slight headache the next morning.

Mixed Up

"DID you mark that place where the fishing was so good?

"Yes, I put an X on the side of the boat."

"That's silly. What if we should get another boat?"

* * *

A New Addiction

LORD Snell, chairman of the L.C.C., told recently of the hospital addict—the man who boasted he had been in every hospital in town.

This couldn't be, said a friend: how about the women's hospital?

"*And I've been in that,*" *the man replied. "I was born there!*"

* * *

Precaution

A SCOTSMAN (what! again?) was stripping wall-paper from the walls of his house when a friend called to see him.

"Well, Sandy," said the visitor, "are ye goin' to have new paper?"

"Na, na," replied Sandy, "Ah'm just movin' to another house."

* * *

Hirritable 'Erb

HERBERT and Hilda, humble honeymooners, were having dinner in a first-class restaurant.

"What do you think of this," whispered Herbert.

"Why, I think it's superb," responded Hilda gushingly.

"Darling, I know it's soup," said Herbert, a trifle irritably, and please don't call me 'Erb 'ere."

* * *

Lamb to be Shorn

THE weekly nut story deals with the screwball who raced into the barber's shop.

"Gimme a haircut," he ordered. "And make it snappy."

"Certainly," replied the barber. "Just sit right down here."

"Never mind," said the nut. "I'll stand."

"Come, come," smiled the barber. "Why don't you sit down?"

"I'm sorry," replied the nut. "But I'm in a hurry!"

* * *

Kissing Without Tears

"IF you have to kiss a girl, kiss her as though you meant it. Never mind if she has a big husband."

This advice was given to members of amateur companies, drama festival on Saturday, by Jack Carlton, the London actor, who adjudicated.

"Nothing marks an actor as 'amateur' more than kisses which he apparently finds distasteful," he said. "Besides, it's unkind to the girl."

* * *

The Spanish Terror

A BATTALION of Carmens, consisting of women workers in the cigarette factories, is being organised in Madrid against the rebels.

DON Jose looked out of his dug-out one morning, and said, "Diablo, Carramba!"

"What's up with the senor this morning?" said Don Escamillo.

"All the blinking Carmens in Madrid are dancing the habanera on the ramparts," said Don Jose.

"Ay de mi!" exclaimed his friend, the ex-toreador. "Stonado le erojas!* Sung to death by mezzo-so-pranos! Que muerto!"

Both stole silently out of the trenches and streaked to the rear.

*Old Spanish oath, meaning "Stone the crows!"

* * *

Hehoh

Tot Homines Quot Whatyoumaycall'em

"Tchekov, of course," said Mr. Parrable, the eminent *littérateur* (And don't ask me what a *littérateur* is, either. One problem at a time.)

"Chekov," said Mrs. Milk-Mango. "My father," she added, "travelled a lot in Russia. 'Say it with moujik' was one of his favourite jokes."

*

"Chekoff," said Lord Upsett. "These foreign writers," he went on amiably, "want keeping in their place. They can spell their names how they like in Russia, but in England they must conform to established custom. If the worst comes to the worst, we can order their stuff to be confiscated."

"If the verst comes to the verst, you mean," put in Mrs. Milk-Mango, archly.

*

Mr. Hogmanay Snuffles, of the Parallax Theatre, made a long nose at these worthies. "It's Hehoh really," he murmured confidentially "But they don't know it—no one knows it but me. Hehoh, a name to conjure with."

And that's why it is that I've found myself humming as I wrote:

Hehoh, my Hehoh, how goes it today?
Come with us, Hehoh, and write us a play;
We'll produce Uncle Vanya for one and a tanya—
Hehoh, my Hehoh, how goes it today?

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THE BOOK PAGE

TO REGAIN FREEDOM

Anarchy Or Hierarchy.—By S. de Madariaga. Allen & Unwin London. 7/6.

The weakness of liberal democracy of which he is a convinced champion is fearlessly exposed by Don Salvador de Madariaga, the eminent Spanish philosopher and statesman. He starts by pointing out that the main attacks on liberal-democratic faith and the most successful ones have come from the left. Lenin's "dictatorship of the proletariat" is, he says, a quibble. Other attacks have come from men who, like Pilsudski, Hitler and Mussolini began as socialists. So the world to-day sees a greater inroad made into human freedom and liberty than at any time in modern history. The causes are various, not the least important being the discovery during the War of the force of international combination in restriction of personal actions and the consequent susceptibility of the democratic machine to exploitation by a minority sufficiently determined and unscrupulous to attempt the adventure. Liberal democracies have tended to evolve anarchist sympathies, partly because they have come to interpret liberty as an absolutely individualistic right and to extend it in disregard of capacity for administering it. Thus freedom destroys itself, the world is drawn to the idea of dictatorship as an experiment worth trying. There is a class schism because the workers believe that the so-called "bourgeois" parties use ideas of constitutionalism merely to defend their own economic and social privileges. The road should lie toward the creation of an organic unanimous democracy of which the totalitarian state is a blatant caricature. There follows a penetrating analysis of the social structure of a nation, with apposite comments on conditions in the United States of America as well as Europe. England might have filled Don Salvador's requirements had she remained an agricultural country but the industrial revolution of the 19th century disturbed the relations between the three natural classes. Moreover

> The contemporary world is so complex that government has become a highly technical craft....the growing technical complication of collective life amounts to a change of environment for the community and demands a change in the type of aristocracy that is wanted.

So leadership of the future liberal-democratic state should develop more on Swiss lines—scientific, bourgeois, expert. The important principle that the State has the right and the duty to set limits to both liberty and inequality, but that citizenship should be limited to active citizens is stated with arguments in full support. The State's sovereignty is limited in all that concerns war in that it has no right to require military service in wars contrary to international law. Otherwise there is no incompatibility with freedom in insisting on unhesitating individual obedience to the State, as it reflects the national will. In this brief précis it is impossible to do full justice to the depth of insight and wealth of research embodied in this comparatively small book—it has only 236 octavo pages—but enough perhaps has been written to show that it should be read and studied. It is stiff reading, for the whole subject is intrinsically difficult and the author's excellent English is not proof against the disadvantages of expounding so complex a problem in an alien tongue. It makes so important a contribution to the examination of world affairs that it may well find a place in the permanent literature of statecraft.—E.H.

SPARKS

S O S Radio Rescues at Sea.—By Karl Baarslag. With a Foreword by C. R. Benstead. Methuen, London. 10/6.

In these pages, from the author's intimate knowledge of his craft, are retold the stories of disasters in which wireless played a prominent part. The first big episode showing the efficacy of the new means of communication was in 1909 when the Republic, with a wireless set and one operator, was rammed by the Florida off Nantucket. Jack Binns was the operator at the post, and had he not been there it is safe to say that a ghastly tragedy would have occurred, for the Republic carried 440 tourists, with crew to match, and a large and valuable cargo. The signal C Q D was sent out by Binns, who in those days could not have relief, as the rule which insisted on ships carrying more than one wireless operator had not been devised. With great heroism he stuck to his post and in due course the Baltic came alongside to take off the passengers from the Republic. In these days, with the experience of subsequent years, that seems to be almost an ordinary occurrence, but Jack Binns was making history, and it is pleasant to know that after an entry into journalism and enrolling in the Canadian Flying Corps as an instructor, he is safely back in the radio business in New York.—E.H.

COMMUNISM IN A COLONY

French Policy and Developments in Indochina.—By Thomas E. Ennis. Assistant Professor of History, West Virginia University. University of Chicago Press, Chicago, U.S.$3.00.

In the same series wherein appeared the valuable books of A.D.A. De Kat Angelino, "Colonial Policy" and Harley F. MacNair, "China in Revolution," Mr. Thomas E. Ennis publishes a very suggestive study of French policy in Indochina. The author, who served with the British Expeditionary Forces from 1916-19, later was instructor in history at Yenching University (1924-27), and in 1927 Bureau Manager of the Chinese-American News Agency (Nationalist News Agency) at Peiping. He was on the spot during the critical years of 1924-27 when the Chinese Nationalists were organizing for their march into North China, and also had contact with the Nationalists of Korea and Indochina in their agitation for freedom from foreign control. Mr. Ennis, who received his Doctor of Philosophy degree from the University of Minnesota, is now a member of the Department of History, West Virginia University.

On the background of the historical and administrative contacts of the French nation with Indochina is vividly depicted the growing unrest of the masses under Communist influences in a European colony. Particularly suggestive is the striking comparison of the different methods of the French, British and Netherlanders in empire-building:

> The British and Dutch do not proselytize. The French seem born to it....The French view always the national point. The English and Dutch look upon the colonial....As an example of colonial laissez-faire, the English in India can be viewed, in contrast to the French policy of strict regulation and the middle course of the Dutch.....

Anti-French Feeling

The author insists on the more doubtful "clash between the French fratriarchal (industrial) philosophy and the Indochinese patriarchal (agricultural) system—between the French individualistic and the Indochinese collectivistic principles."—H.B.

USEFUL HOLIDAY GUIDE

Chekiang Highways.—By Carl Crow. Kelly & Walsh, Shanghai. $4.50.

Given good weather in the Easter Holidays many Shanghailanders will be glad to have this useful and compact little guide to the beautiful scenery of Chekiang. Mr. Crow writes with enthusiasm and, better, still, intimate knowledge of the points which the motorist and hiker wish to grasp. He provides a most valuable road log of a four-day round trip from Hangchow to Wenchow returning via Lihsui and Yungkang. This tells the traveller just what he wants to know—mileages, petrol stations, bus stops, the state of the road, its tricks and turns and all the rest of it. Other road logs deal with journeys from Shanghai to Wusih via Changshu, from Hangchow to Nanking, from Hangchow to Ningpo, from Hangchow to Lanchi with equal attention to detail. In the guide itself Mr. Crow writes pleasantly and informatively without repellent straining after effect. He sets himself to put his knowledge at the reader's disposal, whether he is describing some of the legends and history attaching to the countryside or patiently noting the places of interest to be seen on the way, never forgetting to work out mileages in the process. He supplies six well drawn maps and as an example of his historical digressions the charming account of "The World's Best Seller", the prefatory essay which the celebrated Shaohing calligrapher wrote for the Lan Ding Collection of classical manuscripts more than 1,500 years ago, is specially attractive. That essay, Mr. Crow points out, has been copied by millions of Chinese students through the centuries and can therefore claim the largest circulation of any work of literature since the world began. It has a wider currency than Shaohing wine or Shaohing spirit money. So few can be the Chinese students who do not know the words of that essay. From Mr. Crow's English translation let this passage be taken:

> Fate rules our life. Whether your life is long or short, every one of us has to meet his end in the long run. Ancient writers are correct when they say that life is from the cradle to the grave. What a pity it is then for us to contemplate on this subject. In reading over the writings of people gone by, we find that every one held the same view on life and death. Though we are living now, we have to give a sigh to our near future as out of our own accord. In our hearts, who does not know that life and death are both empty, and that longevity and infantile mortality make no difference.

Meanwhile it is no bad thing to enjoy life in fair Chekiang. Mr. Crow shows how to do it.—E.H.

BOND OF FELLOWSHIP

Pater Hemon ("Our Father"). Sixty-three Versions of the Lord's Prayer in 41 Languages Ancient and Modern with Historical and Linguistic Notes.—By Paul D. Hugon. Leon K. Irvin, 1116 South Hope Street, Los Angeles, Cal. Pocket Edition 55 cents. Library Edition G$1.10.

It is is perhaps difficult to agree with the author that this beautifully printed little book will be to many an effective introduction to the science of Comparative Philology, certainly it is for all "a revelation of the bond of fellowship which exists among the nations." They will find here not only the historic versions of the Lord's Prayer (Greek and Latin), but the modern English (9 versions), the modern Greek, Romanic, Teutonic, Slavic, Finno-Ugric, Armenian, Basque versions, and also in Constructed Languages (Volapük), Chinook (Oregon Trade Language) and Oriental Languages (Japanese, Chinese) the last one according to the Bible Society's Shangti Mandarin Version (Shanghai, 1930); It would have been also useful to give the Catholic version. The preface is worth quoting:

> The best known, best loved, and most frequently used quotation on earth is the Lord's Prayer. For nineteen centuries, countless millions of men, women and children have reverently repeated it day after day. In the infinite variety of a thousand tongues. No other prayer has done so much to revolutionize the thought of mankind; none has been preserved with such fidelity in every one of the languages of men; none so brief has ever embodied so many common words. Its value as a linguistic document can hardly be exaggerated, and the student can make no better start in a foreign language than to memorize those thrilling words of praise and those vibrant petitions.—H.B.

GERMAN AMBITIONS

Hitler's Drive to the East.—By F. Elwyn Jones. With a map by J. F. Horrabin. Gollancz, London. 2/6.

The apparent purpose of this book is to support the view that the National Government in Great Britain is far too complaisant in its attitude toward the fascist powers and is, either negligently or of set design, weighting the scales against democracy. By marshalling facts which are documented in the sense of having relevant authorities of varying eminence to quote, the author makes a formidable indictment. He has gathered much information from sources which are admittedly hostile to the fascist regime. He is not slow to perceive the advantage of recapitulating the upheavals to which Europe has been exposed, but it may be doubted whether his *ex parte* assertions should be given the full acceptance which he claims. He is of course developing the familiar theory that German policy seeks not merely economic expansion in Central and Eastern Europe but is ceaselessly working to secure hegemony over Czecho-Slovakia, Austria, Hungary, Yugo-Slavia, Greece, Bulgaria and Rumania. Certainly he unveils some astonishing developments. In particular his account of the dramatic turn of Greece under King George II's restoration to German rather than British inspiration raises uncomfortable anxiety. His presentation would be more convincing if it did not seem to suggest that the fascist technique is infallible and all the mistakes are made by those who are its opponents or who do not presently at all events intend to allow it to upset their own systems of government and self-expression. Professor Jones has supplied some really valuable information. He is obviously sincere and no pedlar in propaganda, but he seems inclined to attach excessive importance to all signs of Nazi and Fascist assertiveness without differentiating sufficiently between the minor and major portent. There is ground for believing that even dictators are not always capable of making the storm operate exactly as they will.—E.H.

JAPAN AND BRITAIN

The Far East Comes Nearer.—By H. Hessell Tiltman. Illustrated Jarrolds, London. 12/6.

During the exciting days of February 1936 in Tokyo, the author met many officials, journalists, and foreign residents at the "centre table" at the Imperial Hotel.

Scant attention has been paid in England to the dangers inherent in the "New Deal" which Japan has thus dramatically presented to the world, dangers abundantly confirmed by the evidence presented in "The Far East Comes Nearer." War is not the least of the unpleasant possibilities—war between the Japanese Empire, genuinely mistrustful of communism and all its works, and Soviet Russia's "Special Red Banner Far Eastern Army," the powerful military machine commanded by Marshall Bluecher, which waits and watches along those troubled frontiers where "incidents" are almost a daily occurrence. Such a war must undoubtedly, in the present state of international feeling, overflow the boundaries of Asia, involving in it all Europe and Great Britain.—H.B.

A COUNTRY DIARY

Mar. 8.—Being prevented from walking this morning by a sore foot, I determined to view the surrounding country from what is, to me, a rather novel angle; so I drove round and paid a view visits to some of those tall apartment buildings where the pent-house gardens assume the duties of the housetops of ancient Palestine. Looking down on countryside and gardens from a height, the first thing which struck me, almost with a shock, was the fact that the Willow trees are already bright green when seen from above. . . for naturally the buds most exposed to the sun are the first to open: then I thought of Joyce Kilmer's poem and the lines about "A tree that may in summer wear—a nest of robins in her hair", which I always thought rather stupid until I realized that seen from above, the foliage of many trees looks just like a woman's hair! The bird-life of the housetops is not too interesting: an occasional Blackbird screaming over the parapet in pursuit of a rival; a few Bulbuls here to pick up bird-seed; a Magpie there to warm himself on a chimney-pot. . . and sparrows, sparrows everywhere. . . sparrows lined up in the gutters; chains of sparrows on the aerial wires and sparrows hopping round the parapets. Surely St. Luke must have been sitting in a roof-garden when he first coined the classic phrase, "that which ye have spoken in the ear....shall be proclaimed upon the housetops", and then immediately went on to ask if five sparrows were not sold for two farthings! So I came back home determined to record this in my diary . . . just as further proof that most of the great men in history have taken an interest in birds.

* * *

March 9.—Bird-watching, like Izaak Walton's fishing, is a contemplative art, and as I spent a quiet hour this evening watching a Magpies' nest just at that magic period when daylight is displaced by dark, a little incident occurred to me which I feel I should record....A Little Old Gentleman called on me one day to ask if I would like to buy an old Dutch book on birds; being very busy, I replied, perhaps curtly, that I did not read Dutch and was not interested. But his appearance arrested me and stamped itself upon my mind. A tiny little man with ragged trousers (once white) and much too short even for his abbreviated legs: a tattered raincoat much soiled by wear and weather; a battered straw hat and shoes laced up with string; a somewhat unshaven face and a long down-curved moustache dating back to the early eighties. Was he interested in birds? Yes; he had spent the spare time of his life trying to ascertain accurately the temperature at which the eggs of the Megapodes are hatched by the heat of the sun! That shook me. How many people know even what the Megapodes of the Nicobar Islands are? Or that their eggs are deposited in huge mounds of vegetable-matter and sand, and there hatched out (without any aid from the parents) by the tropical sun....that the young emerge fully fledged and are immediately able to fly and take care of themselves? All such facts were as nothing to the Little Old Gentleman....he had only spent his life calculating temperatures during the process of incubation! So I felt comforted when, after an hour's watching I had learnt nothing new: I only wished that I had pretended I could understand Dutch when that Little Old Gentleman called upon me.

* * *

March 12.—The other morning a heavy shower drove the dwellers in Our Village to shelter and I became an unwilling eavesdropper standing beneath the eaves of the tea-house. Now, it seems that Farmer Wang's distant-cousin-by-marriage (Fat Miss Wang, as she is called) was coming to visit the family that day; she happens to be a baby amah in a foreign family and is not popular in the village mainly because, being so abominably clean and well-dressed, she is more than suspected of being a running-dog to the Imperialists; the rain had started just as she left the foreign house and, anxious lest she should miss the motor-bus, yet fearful of wetting her newly-done hair, she picked up the first thing she could find to protect her....and this happened to be the baby's scarlet parasol. Thus it happened that as I stood outside that tea-house, the village was startled by the apparation of a very fat woman waddling down the street holding a tiny red umbrella over her head; her front view must have measured a considerable fraction of a Mow and her side-view was not slender like the willow. The Village stared, agape, and Mr. Dong started the ball rolling by remarking, "the fat Wang woman has bought a foreign umbralla (yang-tsar)." John-Willy, noting the interest of his elders, bawled out to the approaching figure, "Oi! Don't forget to send me some wedding-sweets," thus neatly referring in one phrase to the maiden state of the lady and the colour of her umbrella. But Grandma was worse: as the quaint figure went by she shouted, "Take care—with so small an umbrella you may get your hips wet." This sally made the virtuous Miss Wang forget she was a lady. She let out one word which I will neither translate nor write for anybody's money. I only hope she does not use it when the foreign baby spills its porridge.

QUEEN MARY'S COMMAND

A Million Ocean Miles.—By Sir Edgar T. Britten, R.D., R.N.R. Commodore of the Cunard White Star Line. With 20 Illustrations. Hutchinson, London. 8/6.

Sir Edgar Britten died shortly after the proudest moment of his life when he took the Queen Mary to sea as her first commander. A true seaman, Edgar Britten entered the Mercantile Marine on the sailing ship Jessie Osborne on New Year's Day 1896, and he worked himself up from the lowest rung in the ladder to the highest position in one of the greatest British companies. He joined the Cunard Line in 1901 and his book gives, as it is bound to give, a vivid account of the personalities and adventures encountered by him as he crossed the Atlantic from east to west and west to east. His record is modest, as his profession demands, and it fitly is given a prologue paying a warm tribute to his fine qualities as a man and a sailor. It is a tale of the true romance of the sea and thoroughly deserves its place in the literature of the Royal Mercantile Marine.—E.H.

SOUNDING-BOXES

The Amazing Phenomenon of Voice.—By Elena Garnetti Forbes, M.B.E. With a Foreword by Alexander Cannon, K.C.A., M.D., Ph.D., D.P.M., C.H.D., M.A., F.R.S.M., F.R.S., Trop. M. & H., F.R.C.S., Member of the Royal Medico-Psychological Association of Great Britain and Ireland; Member of the Executive Council of the British Medical Association (1934-5) Rider, London. 5/-.

It is clear that to the writer of the book "Vox et praeterea nihil" means something quite different to the meaning given to it by the ordinary person. In fact, the whole life, well-being, and development of mankind, both individually and in the mass, would seem to depend not only on the use but on the correct production of voice. It is stated that a sequel will be produced giving the practical application of the theories of this book to voice production, hence it is impossible to criticize the present book in regard to the slight vagueness of some of the statements. One would wish to be told how to extend and relax the spinal column and thus prevent the wedging of the various vertebrae.—J.H.J.

POLITICAL GEOGRAPHY

An Atlas of Empire.—By J. F. Horrabin. Gollancz, London. 3/6.

To his useful atlases on "Current Affairs" and "European History", the author now adds one which illustrates the burning issue of colonial possessions. It provides a compact catalogue of areas which are owned by alien States. The relevant maps are accompanied by brief records of the essential facts regarding the mode of their acquisition, the nature of their resources and the degree of their general development. Mr. Horrabin uses the term "colonial" in its fullest sense so that his maps include the self-governing Dominions of the British Empire as well as India, for the Dominions "remain relatively undeveloped territories available for white (and other) settlement and so exposed to the rivalry and jealousy of those engaged in imperial development," or as he would put it, the Great Scramble. For cognate reasons he includes Manchoukuo and the Philippine Islands, although they are both nominally independent, since he foresees in them the origin of future international complications. His facts, figures and maps are accurately and clearly presented. He makes generous use of the comparative method in setting by the side of certain colonial areas maps, on the same scale, of the owner-countries respectively concerned. A small blemish may be noted in his failure to bring the description of the Constitution of India up to date. The regime which he describes in the entry against the Indian map will have been replaced at the end of the present month.—E.H.

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Of Local Interest

Palestine's team beat Great Britain at soccer by 4-3 last Sunday in the game for the International Cup. Photo shows Greenberg being bumped off the ball by Jack, the other players watching closely for a chance. —*N.C.D.N. Photo.*

"Heads up" near the British goal. Jack Ward, Britain's pivot, makes use of his height to head clear with Belinky and Cunio opposing him.—*N.C.D.N. Photo.*

S. Tuttleman, Palestine's right wing, was in brilliant form. He contributed three of the four goals scored by the winning side. Turner had his hands full marking Tuttleman and is shown beaten by the latter in the photo.—*N.C.D.N. Photo.*

The Palestine defenders resist Britain's attack. Jack Ward just fails to stop the ball with his head.—*N.C.D.N. Photo.*

Mrs. K. W. Chow will take part in the entertainment planned for the Chinese Women's Club annual charity ball.—*William's.*

Mrs. Edward Hsu is on the Luck Pond Committee of the Chinese Women's Club annual charity ball.—*William's.*

The Chinese Women's Club entertained members of the American Women's Club at the Park Hotel on March 8. Photo shows the gathering during the musical programme.—*N.C.D.N. Photo.*

Mrs. K. S. Lee, chairman of the Luck Pond Committee for Chinese Women's Club annual charity ball to be held soon at the Paramount.—*William's.*

Mrs. P. C. Yang, second vice-chairman of the Executive Committee and chairman of the Membership committee of the Chinese Women's Club.—*William's.*

Mrs. Henry Lin, chairman of the Project Committee of the Chinese Women's Club.—*William's.*

(*Left*) When the American Women's Club was entertained by the Chinese Women's Club. Seated at this table are seen Mrs. H. C. Mei, Mrs. V. Dent, Mrs. B. C. Sienkievitch, Mrs. Arthur Young, Mrs. H. H. Solomon, Mrs. M. C. Guss, Mrs. C. E. Sutherland, Mrs. L. R. Schinazi, Mrs. Z. Karanjia and Mrs. S. Y. Chen.—*N.C.D.N. Photo.*

The wedding of Mr. F. H. Massey and Miss Mona Bridson took place at Holy Trinity Cathedral on March 6.—*Skvirsky.*

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Individualists

VIGNETTES OF LIFE

By J. NORMAN LYND

A RUGGED INDIVIDUALIST --- ONE HAS TO BE RUGGED TO STAND UP AGAINST THE AWFUL PUNS THAT ARE COMING THROUGH THE AIR THESE DAYS.

THERE ARE STILL SOME OLD-TIMERS WHO ARE INDIVIDUALISTS IN CLOTHES --- AND IT'S ALL THE SAME TO THEM WHETHER IT'S A CONCERT, A COCKTAIL PARTY, A CHRISTENING OR A COCKFIGHT — THEY'RE GOING TO WEAR COMFORTABLE CLOTHES.

ANOTHER INDIVIDUALIST --- IN RAIN, SNOW, SLEET, ICE OR HEAVY NORTH ATLANTIC WINTER WEATHER. HE WON'T PROTECT HIS HEAD — THE WEAKEST PART.

THE INDIVIDUALIST WHO STILL INSISTS THAT HIS CAR HAD THE RIGHT OF WAY AT THAT CROSSING.

AND THERE IS THE INDIVIDUALIST WHO GOES UNDER HIS OWN STEAM AT ALL TIMES --- EVEN IF HIS SHIRT TAIL IS HANGING OUT. HE'LL TELL ANYONE, "WHEN I WANT ANY ADVICE FROM YOU, I'LL ASK FOR IT!"

THE INDIVIDUALIST WHO "DOESN'T BELIEVE IN DOCTORS" — AND DOES HIS OWN PRESCRIBING — RUM FOR ORDINARY COMPLAINTS, EPSOM SALTS ON OCCASION, AND SPLINTS IF IT'S SERIOUS — SAY A BROKEN LEG.

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THE WOMAN'S PAGE

Shanghai, Mar. 13.

The never ending stream of visitors to Shanghai, the continual comings and goings of residents, and the ever-present yearnings of the inhabitants of this city for a party, have combined to keep Shanghai on her toes, socially speaking, this past week.

Ciro's, The Park, Farrens and other places have been jammed to the doors with those in search of gaiety and excitement. There have been quieter home parties and the usual number of cocktail gatherings to say nothing of teas, tiffins and dinners.

The departure of Sir John and Lady Brenan later this month is keeping official Shanghai busy. Diplomatic, consular and Chinese government leaders as well as prominent British residents are among those who are wishing Sir John and Lady Brenan bon voyage at parties that begin at mid-day and follow fast one upon the other.

Busy Every Night

Mr. and Mrs. Rodd Moffett have been seen about almost nightly, dining and dancing with the friends whom they are leaving to-morrow. They are sailing for Manila where they will spend a month or two before continuing to Europe and America on leave.

Parties for them are all evening affairs and there are but few ladies' day time parties for Mrs. Moffett, principally because she is so busy from morning to night at The Cradle. She is one of the founders of this nursery home and is president of the committee.

Mr. and Mrs. Charles W. Rayden gave a dinner for the Moffetts on Wednesday night, later taking their party on to Ciro's. Mr. and Mrs. Moffett also were at Ciro's on Thursday night. This time with Sir Victor Sassoon, Mr. W. R. McBain, Mr. and Mrs. H. G. Robinson, and others.

To-night they are spending their last night in Shanghai with Mr. and Mrs. C. S. Vaughan, Miss Florence Cavert and Mr. Bill Fielding.

Mrs. P. W. Bradford who has stopped over in Shanghai to visit her parents, Mr. and Mrs. C. H. Raven, snr., on her way to Bombay where she will join her husband, is providing the incentive for numerous parties. On Wednesday, March 24, Mrs. Virgil Crowe and Mrs. H. Sandor will give a large luncheon in her honour, entertaining at the home of Mrs. Crowe.

Here From Nanking

Friends also are feting Mrs. Hendrik Bos who has just come down from Nanking where her husband is secretary of the Netherlands Legation. She expects to stay here for a fortnight and is visting at the home of Mme. du Pac de Marsoulies. She was among the guests at the dinner which Mme. du Pac gave on Wednesday night, later going on to Farren's.

Miss Mary Garrison of New York who is visiting Miss Emily Hahn was the incentive for the cocktail party which Mrs. Mary Anne Brown gave Tuesday evening in the Metropol Hotel. Among the other guests were Miss Hahn, Mrs. Suzanne Weylan, Miss Jane Richardson, Mr. Richard Smith, Mr. Richard Price, Miss Babs Hutchins, Count Rene d'Anjou, Mr. Ake Hartman, Mr. Harris Nelson, and many more.

Mr. Vernon Tenney who is visiting here from Honolulu en route to Manila and Indo-China, is also coming in for his share of parties.

Wedding Anniversary

He was among those who helped Mr. and Mrs. H. G. Robinson celebrate their fifth wedding anniversary at a buffet dinner party on Tuesday night. Mrs. Robinson received her guests, looking lovely in a wine-red velvet gown. Among other guests were Sir Victor Sassoon, Mr. and Mrs. P. G. Calcina, Mr. L. R. Andrews, Mr. Tony and Mr. John Keswick, Mr. and Mrs. Rodd Moffett, Mr. and Mrs. Loos Williams, Miss Babs Hutchins, Miss Billie Smith, Mr. Dick Lewis and Mr. and Mrs. Scott.

Mr. and Mrs. H. V. Wilkinson who are sailing on next Tuesday for leave in England, also are coming in for their share of farewell parties. They will share honours with Mr. and Mrs. George Foster who have just arrived from Yokohama at a cocktail party which Mr. and Mr. Mrs. A. P. Nazer will give on Monday night. Mr. Foster is taking over Mr. Wilkinson's duties as head of the local office of the P. and O. while Mr. Wilkinson is on leave.

Wing-Commander and Mrs. H. S. Kerby are making temporary goodbyes to their friends before they too leave on Tuesday. They are accompanying Lady Knatchbull-Hugessen and the Misses Elisabeth and Alethea Knatchbull-Hugessen to South China where they will join Sir Hughe who is already there.

Welcome Home Parties

Mr. L. Chevretton who arrived on Thursday after long leave spent in France is being welcomed back to Shanghai by hosts of his countrymen and other friends. On next Thursday night Mr. and Mrs. Maurice T. Elzear will give a dinner for him. They have invited as other guests Mr. and Mme. E. Saussine, Mr. and Mme. J. Barraud, Dr. and Mme. Veillot, Dr. and Mme. J. Thomas, Col. Perritier, Mr. and Mrs. M. Pavlovsky.

Last night Mr. and Mme. Elzear gave a dinner in honour of Col. V. Bacigalupi of the Lepanto. Other guests were Mr. and Mrs. Angelone, Mrs. Acampore, Mrs. Betty Spunt, Mrs. Julius Rosenfeld, Miss Mary Spunt, the daughter of the hostess, Count Filo de la Tare, Lieut. Arlotta, Lieut. C. Thorel, all of the Lepanto.

In Musical Circles

Many are the dinners that are being arranged to precede the three concerts of Mischa Elman, world famous violinist, on next Tuesday, Thursday and Saturday nights.

Another interesting visitor to Shanghai who is being enthusiastically received in musical circles is Mr. Paul Weingarten, the Viennese pianist. He will appear with the Shanghai Municipal Orchestra to-morrow. Last evening Dr. and Mrs. Frederick Reiss entertained to cocktails in his honour.

More About Visitors

Among other visitors who are being entertained are Mr. and Mrs. Ralph Stillman of Yokohama who are here on a brief holiday. Among those giving dinners for them were Mr. Scott Marsh and Mr. and Mrs. George H. Greene. They are returning to Japan on Tuesday in the ss. President McKinley.

There was much entertaining this past week in American circles for Mrs. Ruth Cross, the sister of Mrs. John Young, who sailed yesterday in the ss. Conte Verde, continuing her trip around the world after a several months' sojourn in Shanghai. Mr. and Mrs. Young gave her a farewell cocktail party on Thursday evening.

Mrs. Karl B. Hill entertained her to tiffin on Wednesday and on Monday Mrs. Cross gave a Chinese chow party to say farewell to a large group of her feminine friends.

To Say Good-Bye

Lieut. Col. and Mrs. W. Dulty Smith of the U.S. Fourth Marines and their two charming daughters, Miss Margaret and Miss Louise Smith, who are leaving shortly, are being entertained by their wide circle of friends. To-morrow Miss Mary Spunt, and her brother, Mr. Leo Spunt, are giving a buffet tiffin party for the Misses Smith. They have invited about 60 young people of the international community to this affair which will be given at the home of their mother, Mme. Maurice Elzear, in Route Pere Robert.

For Bridge Enthusiasts

One of the brightest spots on next week's calendar, so far as bridge enthusiasts are concerned, is the official opening of the new rooms of the Shanghai International Bridge Club in the Shanghai Race Club on Friday night, March 19. Mayor Wu Te-chen, the honorary president of the club, is expected to conduct the opening ceremonies after which there will be bridge and mahjongg games. More than 200, including, both Chinese and foreign members, already have signified their intentions of attending this affair and table capacity is limited.

As a result of the Shanghai Bridge Tournament conducted by this club last month, Mrs. H. F. Payne and Mrs. A. C. Davis, are the club's champions. Among prominent Chinese players are Mr. and Mrs. Richard Pan. Mr. and Mrs. Leon Kwok and Mr. and Mrs. Walter Kwok. Mrs. Walter Kwok is considered one of the club's best players.

Cocktails—Past and Present

Was there ever a night in Shanghai without its cocktail parties? Perhaps way back in prehistoric days before traders began building huts on the mud flats along the Whangpoo cocktails were not served between the hours of 6.30 and 8.30 p.m. But that was a long time ago.

Cocktail parties were very much the thing this week. One of the largest was given on Tuesday night by Mr. and Mrs. Verne Clair who entertained in farewell to Mr. and Mrs. J. E. Fullam.

Last night Mr. Hallett Abend and Mr. and Mrs. W. B. O. Middleton were among cocktail party hosts. Mr. and Mrs. Phil Carpenter entertained with a similar affair earlier in the week, entertaining for Mrs. Carpenter's cousin, Mr. Gerald Tyrrell who was passing through Shanghai.

To introduce the new Italian Air Attache, Lieut.-Col. N. Piroddi, and Mme. Piroddi, Captain and Mrs. A Chiapparo gave a large cocktail party in the Italian Club.

On Monday of next week Col. and Mrs. F. R. W. Graham will give a cocktail party. Mr. and Mrs. Jack Levy have sent out invitations for one on March 24 and there are scores more listed among future events.

St. Patrick's Ball

The outstanding event of the coming week is, of course, the St. Patrick's Society Ball which will be held at the French Club on Wednesday night.

The official guests are: Pay-Commander and Mrs. Bowen, Commander and Mrs. H. F. Nalder, Sir Frederick and Lady Maze, Judge P. Grant Jones, Mr. and Mrs. J. S. Whitney, Sir Louis and Lady Beale, Dean A.C.S. Trivett, Brigadier and Mrs. Telfer-Smollett, Major J. Lindsell, Dr. and Mrs. A. C. Bryson, Mr. and Mrs. E. S. Wilkinson, Mr. and Mrs. V. G. Bowden, Mr. and Mrs. P. R. M. Wallis, and Sir John and Lady Brenan.

Engagement Announced

Of interest to younger Shanghai, especially members of the American community, is news of the announcement of the engagement of Miss Ellen Louise Bassford to Mr. Millard Davis "Mike" Arnold. The engagement was announced informally in Tientsin recently.

Miss Bassford is from Baltimore, Maryland, and has been staying in Tientsin for the past year as the guest of her sister, Mrs. R. Gaither, wife of Captain Gaither, Fifteenth Infantry. Mr. Arnold is the eldest son of Mr. Julean Arnold, the American commercial Attache, and Mrs. Arnold and is well known in this city, having been stationed here as a member of the staff of the National City Bank for four years, being transferred last summer to the northern branch. No date for the wedding has as yet been set.

For H. M. Consul-General

As mentioned previously in this column perhaps the most entertained residents just at this time are Sir John and Lady Brenan who are leaving shortly for England. They are honoured almost daily at both tiffins and dinners. On one day this week a luncheon party was given by General Yang Hu, Commander of the Woosung Garrison while that night, Mr. T. Kawai, the Japanese Consul-General and Mme. Kawai were dinner hosts.

On Sunday night Mr. and Mrs. C. E. Gauss gave a dinner for 24 in honour of Sir John and Lady Brenan.

Sir Frederic and Lady Maze were hosts twice over the past week-end, when they entertained at two farewell parties. The first was a luncheon on Sunday in honour of H. M. Consul-General, Sir John and Lady Brenan, and the second was a dinner given for Dr. Anne Walter Fearn.

CHINESE SOCIAL NOTES

By Wu Ai-lien

Shanghai, Mar. 14.

"The flowers that bloom in the spring—tra la!" would seem to have everything to do with the case, if the round of large and elaborate spring parties is any criterion. For having begun over a month ago, one would expect to see slackening down of the pace but, on the contrary, the whirl is giddier than ever. But what nicer way could there be of expressing the fresh delight one experiences at the burgeoning of this loveliest of seasons than by gathering one's friends together for a jolly in-door party or out-door excursion.

Birthdays of prominent residents have also added to the doings of the week, as well as the inevitable "comings and goings," but social activities in general have been set back somewhat by the imminent approach of the Chinese Women's Club's annual charity ball, which will take place on Friday, April 2, at the Paramount Ballroom. As one charming and active member of the C.W.C. said the other day, "My life these days just consists of one committee meeting after another!" And since every member is working equally hard, this year's function bids fair to outshine its predecessors, and that is saying a great deal when one considers that this eagerly-awaited ball is regarded as one of the most brilliant events on the social calendar.

William's

AIDS CHARITY BALL

Mrs. P. Kingman Hsu is a member of the programme committee making plans for the annual charity ball of the Chinese Women's Club next month.

The Mayor's Birthday

One of the most popular of Government officials, Gen. Wu Te-chen, our genial Mayor, attained his 50th birthday anniversary last Tuesday. In keeping with his quiet and unassuming manner, Gen. Wu tried to let it slip by unnoticed and unobserved, but his numerous friends, admirers and colleagues could not possibly let such an auspicious occasion pass without being celebrated and since the "mountain would not come to Mahomet, Mahomet went to the mountain." In other words, those who would do honour to the Mayor, took their guests and celebrated right royally in his own residence in Avenue Haig.

From all accounts, the first party, which was given on the eve of Gen. Wu's birthday, by Mr. T. Z. Wu, the Mayor's brother, was a great success and one of the most enjoyable events held for some time. Undoubtedly the especially happy reason for it and the spontaneous gaiety of the guests were mainly responsible for this very satisfactory state of affairs. A varied programme of entertainment, full of delightful surprises, was given and commenced with a delectable Chinese buffet dinner served at 9 o'clock. This was followed by musical and other items, there being something to suit all tastes. Contributing not a little to the evening's enjoyment were the clever tricks with which Mr. Max Malini mystified the guests. Chinese songs of the ancient Peking school pleased lovers of this type of music and there were theatrical performances by amateur and professional actors. Merry entertainers of the jester type kept everyone constantly amused and a special orchestra provided melodious rhythm for dancing.

Merry Spring Party

A Spring party which had the Sky Terrace and 15th Floor of the Park Hotel as its setting was given on Wednesday night with Mr. and Mrs. Bang How and Miss Moli How as joint hosts. Following the serving of the buffet dinner, dancing and card games were the order of the day—or rather, night. Everyone had such a good time that it was long, long past midnight before the party broke up. Among those invited were Gen. Wu Te-chen, the Mayor, and Mme. Wu, Dr. and Mrs. Wei Tao-ming, Mr. K. P. Chen, Mr. and Mrs. O. K. Yui, Mr. and Mrs. Russell Sun, Mr. and Mrs. Tsuyee Pei, Mr. and Mrs. Jabin Hsu, Mr. and Mrs. Fisher Yu, Mr. and Mrs. C. F. "Burma" Liu, Mr. and Mrs. M. T. Zau, Mr. and Mrs. C. J. Waung, Mr. and Mrs. W. S. Chiao, Mr. and Mrs. P. W. Kuo, Mr. and Mrs. T. Z. Wu, Mr. Henry Wei, Mr. and Mrs. Richard Pan, Mr. T. C. Pan, Mr. and Mrs. Z. L. Loo, Dr. and Mme. U. Y. Yen, Mme. Wellington Koo, Mme. Tong Shao-yi, Mr. and Mrs. Ernest Tong, Mr. and Mrs. T. C. Tang, Mr. and Mrs. T. H. Zee, Dr. and Mrs. C. Kuangson Young, Mr. and Mrs. K. C. Li, Mrs. Edith Kum, Mr. and Mrs. Y. C. Woo, Mr. and Mrs. C. T. Feng, Mr. and Walter Kwok, Miss K. F. Chang, Mrs. C. I. Chow, and many others.

The night before, Mr. and Mrs. Tsuyee Pei and Mr. and Mrs. T. C. Tang acted as joint hosts to another seasonal party. (Mrs. Tang is the sister of Mrs. Pei.) The affair took place in the Pei residence in Route Ferguson and the guest list, numbering about 100 people.

SOCIAL NEWS FROM THE CAPITAL

By Suzette

Nanking, Mar. 10.

This past week has been devoted to parties for visitors from Hankow and Shanghai. There have been many parties for the Admiral and the staff of H.M.S "Bee" who spent a week visiting in the capital and left on Monday to return to Hankow. Sir Hughe Knatchbull-Hugessen left on board the flagship, first to visit Hankow and then proceeding to South China.

Other visitors were Mr. and Mrs. Phil LeFevre and their house-guests, the Misses Farmer. The party motored up on Friday and left to return to Shanghai on Monday. They were guests of Mr. and Mrs. J. M. Hansen.

Miss "Gav" Mancnaghten was spending a week in the capital staying at the British Embassy as house-guest of the Knatchbull-Hugessens. She attended a number of parties and returned to Shanghai on Wednesday.

Passing through from Peiping were Mr. and Mrs. Marc van Weede. They are taking an extended trip through Indo-China and Yunnan and expect to be away for several weeks. Mr. van Weede is secretary of the Netherlands Legation and has been stationed in the old capital for nearly two years. The date of their return is April 5.

On Thursday night there was a dinner in the British Embassy in honour of Admiral L. E. Crabbe. Among those attending the dinner were Madame F. Bourdrez, Monsieur and Madame Pierre Gilbert, Mr. Iver Mackay, Mr. Walter Graham, Mr. G. P. Young, Miss Pat Leslie, Lieutenant B. D. Gallie and several others.

Parties at Club

The same night there were a number of parties in the International Club. Mr. Peng Hsueh-pei, Vice Minister of Communications was host to a large party of friends. Others entertaining that night were:—Mr. T. K. Tseng, Vice Minister of Railways, Mr. S. Y. Chang of the Imperial Chemical Industries, Miss Annie Wu of the Foreign Office and many others.

On Friday afternoon Mrs. Trautmann held her second "At Home" of this season at the Embassy and a large number of foreign and German residents called between five and seven. There were also a number of high Chinese officials and their ladies calling.

The same night there was a large dinner at the Admiralty, Admiral Chen Shao-kwan being host to a large number of Foreign and Chinese guests. The dinner was in honour of Rear Admiral L. E. Crabbe.

Rear-Admiral Entertains

Rear Admiral L. E. Crabbe was host to a large crowd of people on board his flaship H.M.S. Bee on Saturday afternoon. His guests included Sir Hughe and Miss Alathea Knatchbull-Hugessen, Mr. H. D. Hillard, Mr. and Mrs. P. H. Munro-Faure, Captain J. J. Hughes of the U.S.S. Panay and Mrs. Hughes and Lieutenant and Mrs. R. J. Bourke were among the guests. The U. S. S. Panay left on Monday for Kiukiang and Hankow after an extensive stay in the capital. Mrs. Bourke who had left Nanking ten days ago came back for the week-end and returned later to Shanghai to stay for several weeks Later she intends joining her husband in Hankow.

There were a number of parties on Saturday night. There was a dinner at the British Embassy and the party was seen at the International Club after dinner. Major and Mrs. A. H. Wells and Mr. and Mrs. J. F. M. Alma and Officers of H.M.S. Bee as well as H.M.S. Gannet were among those present.

At the American Embassy

The American Ambassador and Mrs. Johnson were hosts to a number of guests on Saturday night. Their party included Mr. and Mrs. Harold Bixby who were spending the week-end in the capital and were staying with the Johnsons. Mr. Harold Bixby is the representative of the Pan American Airways and has been recently in Hongkong and Manila and is now spending a few weeks in Shanghai. Mr. and Mrs. Bixby returned to Shanghai on Monday morning. Other guests for dinner at the Embassy that night were Mr. Y. T. Hu, the Minister of Industries and Mrs. Y. T. Hu, Mr. Wu Sung-kao, Chief of the Division of International Affairs of the Ministry for Foreign Affairs and Mrs. Wu Sung-kao, Mr. and Mrs. Hendrik Bos, Mr. and Mrs. George Atcheson, Jun., who recently returned from a four months vacation trip to the United States, Mr. and Mrs. C. Yates McDaniel, Mr and Mrs. H. H. Molland.

Other parties that night were a dinner given by Mr. and Mrs. J. M. Hassen who entertained their Shanghai guests and Mr. and Mrs. T. MacDnoald who were celebrating Mrs. MacDonald's birthday anniversary that night.

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INWARD FOREIGN MAILS

From Europe by Suez..Memnon, left Liverpool Feb. 6, due Shanghai Mar. 19
From U.S.A......Emp. of Russia, left Vancouver Mar. 6, due Shanghai Mar,22

OUTWARD FOREIGN MAILS

For Europe by Suez..B. de St. Pierre, closes 21 on Mar. 19, due L'don Apr. 20
For U.S.A......Pres. McKinley, closes at 21 on Mar. 17, due Seattle Mar. 31

VESSELS DUE TO ARRIVE

Ships are shown under the port at which last reported. The first date against a ship's name is the date of departure (or when the ship has not left the probable date of departure) from that port. The second date shows when the vessel is due at Shanghai. Vessels sailing from all ports of the world are given.

EUROPE, etc.

From LONDON		
Cathay	12/2	22/3
Burdwan	6/2	23/3
Glenbeg	6/2	24/3
Suwa M.	19/2	30/3
Rajputana	26/2	4/4
Somali	6/3	18/4
Ranpura	12/3	18/4
From LIVERPOOL		
Memnon	6/2	19/3
Helenus	13/2	24/3
Antenor	20/2	31/3
Perseus	27/2	9/4
Ajax	6/3	15/4
Atreus	13/3	23/4
Hector	20/3	27/4
From GOTHENBURG		
Shantung	26/1	23/3
Ceylon	4/2	7/4
Talleyrand	16/2	10/4
Canton	24/2	18/4
From COPENHAGEN		
Peru	13/1	30/3
Java	27/1	6/4
Malaya	25/2	3/5
From OSLO		
Shantung	3/2	23/3
Troja	20/1	6/4
Thermopylae	16/2	12/4
From GDYNIA		
Meriones	6/2	30/3
Eurylochus	12/3	27/4
Bellerophon	6/3	31/4
From ANTWERP		
Neckar	11/2	19/3

From ANTWERP		
Malaya	11/3	3/5
From ROTTERDAM		
C. St. George	21/2	15/4
Rheinland	6/3	15/4
Serooskerk	4/3	16/4
From BREMEN		
Moena	—	20/3
From HAMBURG		
Oldenburg	—	25/3
Reliance	—	2/4
Ceylon	11/2	7/4
Lahn	—	8/4
Thermopylae	3/3	12/4
Canton	9/3	18/4
From MARSEILLES		
P. Doumer	19/2	22/3
Andre Lebon	5/3	6/4
Sontay	—	8/4
Yangtse	—	18/4
Yalou	—	21/5
From GENOA		
Java	6/3	6/4
Lahn	8/3	8/4
From TRIESTE		
Hilda	20/1	28/3
Mauly	22/2	5/4
Arabia	28/2	25/4
From PORT SAID		
Meriones	26/2	30/3
Suwa M.	5/3	30/3
Rajputana	10/3	4/4
Java	8/3	6/4
A. Lebon	9/3	6/4

From PORT SAID		
Talleyrand	15/3	10/4
C. St. George	11/3	15/4
From ADEN		
Sontay	28/2	8/4
From COLOMBO		
Oldenburg	5/3	25/3
Hilda	3/3	28/3
Troja	4/3	6/4
From CALCUTTA		
Sirdhana	1/3	22/3
Shirala	12/3	5/4
From PENANG		
Burdwan	11/3	23/3
From MELBOURNE		
Nellore	3/3	8/4
From BATAVIA		
Tjinegara	8/3	21/3
From SOURABAYA		
Tjisondari	1/3	19/3
Tjisalak	15/3	4/4
From SINGAPORE		
Moena	12/3	20/3
P. Doumer	12/3	22/3
Sirdhana	11/3	22/3
Cathay	13/3	22/3
Glenbeg	13/3	24/3
Helenus	15/3	24/3
From MANILA		
E. Canada	15/3	21/3
From HONGKONG		
Memnon	11/3	19/3
Neckar	16/3	19/3
Peru	15/3	22/3

AMERICA AND JAPAN

From NEW YORK		
Tasmania	—	19/3
P. Adams	5/2	23/3
Potter	—	27/3
Pen. Castle	13/2	29/3
Gertrude Maersk	—	30/3
S. Seafarer	—	3/4
P. Harrison	18/2	6/4
Foylebank	7/2	6/4
P. Taft	25/2	9/4
Chastine Maersk	—	12/4
C. Lyons	17/2	17/4
Rhesus	27/2	18/4
P. Polk	4/3	20/4
Nordhavet	—	21/4
Taybank	6/3	26/4
Muncaster Cas.	13/3	26/4
From VANCOUVER		
E. Russia	6/3	22/3

From VANCOUVER		
E. Japan	20/3	6/4
From SEATTLE		
Talthybius	19/2	1/4
From PORTLAND		
California	20/2	20/3
G. Sherman	16/3	5/4
From SAN FRANCISCO		
Golden Hind	6/2	18/3
Granville	—	3/4
P. Harrison	13/3	6/4
Roseville	—	10/4
From LOS ANGELES		
Chichibu M.	1/3	24/3
Pen. Castle	2/3	29/3
Tatsuta M.	8/3	31/3
Chastine Maersk	7/3	12/4

From HONOLULU		
P. Adams	6/3	23/3
From YOKOHAMA		
Teucer	—	18/3
Deucalion	—	19/3
Tsukuba M.	—	20/3
From KOBE		
Golden Hind	10/3	18/3
Shanghai M.	—	18/3
B. de St. Pierre	—	19/3
Tasmania	16/3	19/3
Soudan	16/3	21/3
Nagasaki M.	—	22/3
Kashima M.	—	22/3
From OSAKA		
Mikage M.	—	17/3
Maya M.	—	21/3

PASSENGER LISTS

INWARD

N.Y.K. Shanghai Maru

From Kobe. Mar. 9. Mr. F. S. Stead, Mr. H. E. Heinzerling, Dr. P. Weingerten, Mrs. J. C. West, Mr. and Mrs. A. J. Bonen, Mrs. and Miss C. D. Lathrop, Mrs. A. B. Bowers, Mrs. E. P. Hsueh, Miss E. Jones, Miss B. Taylor, Mr. F. Townshend, Mr. E. E. Wallwark, Mr. P. Lange, Mr. L. Bhikhabhai, Mr. M. B. L. V. Llani, Mr. N. L. Shah, Mr. C. P. Mansata, Mr. G. Singh, Lt. G. Singh, Mr. C. Hyde, Mr. J. G. Harrison, Mr. G. W. Hargrove, Mr. N. Catsenlis, Mr. R. Kumar, Mr. C. Jain.

M. M. Bernardin de St. Pierre

From Marseilles and Ports. Mar. 11. Mr. and Mrs. Jacques Fournier, Miss Tatania Jookoff, Mr. Maurice Deman, Mr. Jack Eckert Horton, Mrs. and Miss M. A. Lunsford, Mr. John C. Hawkins, Mr. and Mrs. Rose Lews Noonan, Mr. Louis Chevretton, Mr. Jean Jacques Leder, Mr. Andre Hubert, Mrs. Justine Turrettini, Mr. Frederic Respinger, Mr. Arthur Clement, Mr. Maurice Schoofs, Mr. and Miss Cecil Perrin, Mr. and Mrs. Henri Laffond, Mrs. Alexandra Garbe, Mrs. Tamara Vacher, Mr. and Mrs. Felix Monneraud, Mr. and Mrs. Constant Hubert, Mr. and Mrs. Henri Guillemette, Rev. Pere Leon Couvet, Mr. William A. Robinson, Mrs. L. Wang, Mr. H. T. Fong, Mr. P. A. Sang, Mr. Wang Tseeng Young, Mr. and Mrs. D. C. Liang, Mr. and Mrs. Louis Sanseau, Mr. Auguste Goertz, Mrs. Louise Zimine, Miss Chen Touang, Mr. Song Tieng Yung.

R. D. Pres. Mouroe

From U.S.A. Mar. 11. Mrs. Julia C. Baker, Mrs. Louise Davison, Mrs. F. Hunter, Mr. Ted W. Hunter Jr., Mr. Max Levi, Mrs. Thelma McCune, Mstr. John McCune, Mstr. Robert McCune, Mrs. R. R. Wagner.

C. P. Empress of Asia

From Manila and Hongkong. Mar. 12. Mr. H. Brotherton, Mr. and Mrs. F. C. Carter, Mr. and Mrs. A. J. Cornelson, Miss P. Y. Chaung, Mr. S. Halas, Mr. and Mrs. H. C. Hopkins, Mstr. R. Hopkins, Mr. R. L. W. Inkster, Mr. R. Kennedy, Mr. T. F. Li, Mr. F. Marshall, Mr. and Mrs. D. L. Newbiggin, Mstr. Newbiggin, Mr. T. V. S. Skinner, Mr. D. E. Sassoon, Mr. A. Stevenson, Mr. Sum Ka Kat, Mr. G. Varaschini, Mr. and Mrs. H. D. White, Mr. W. Gockson, Mr. and Mrs. J. M. Clancy, Dr. H. J. Croet, Mr. and Mrs. F. M. Hope, Miss A. Artingdale, Mrs. G. Bourbeau, Mr. H. Chijoff, Mr. Chang Yung Cheung, Miss K. Chang, Mr. Chong Nork Chung, Miss Feng Lai Ngor, Mstr. N. S. Chang, Miss W. Huang, Mstr. Huang, Mrs. N. Kienluize, Mr. N. Lee, Mrs. S. C. Lo, Mrs. J. H. Oliver, Mr. A. Pregensky, Mr. M. Rankin, Mr. C. G. Seiclun, Mr. and Mrs. Wong Ka Kui, Mr. C. P. Yu, Mr. Lam Po Kwok, Mr. R. L. Jones.

R. D. ss. Pres. Cleveland

From San Francisco. Mar. 13. Mr. F. Ahlfald, Lt. and Mrs. P. B. Balfour, Miss L. Borne, Mr. and Mrs. M. Bloom, Mr. F. F. Booth, Mr. L. W. Chamberlain, Mr. and Mrs. R. J. M. Chow, Mstr. D. Chow, Mrs. T. Clark, Mrs. R. A. Crews, Mr. G. E. Cullinan Jr., Dr. and Mrs. C. J. Dale, Mr. C. Goldberg, Mr. D. Goodman, Mr. A. Hadley, Mr. H. E. Haglund, Mr. W. H. Ho, Mr. G. T. Rodza, Miss J. Hong, Miss A. Johnson, Mr and Mrs. A. S. Johnson, Mstr. M. Johnson, Mstr. R. Johnson, Mr. B. Katen, Mr. Chiang Khor, Miss S. Kiri, Miss N. LaTurno, Mr. Tak Li, Mr. L. B. Mallery, Mrs. L. B. Mallery, Mr. J. B. McCleary Jr., Mr. A. Rehm, Dr. H. Schneider, Mrs. R. Schneider, Mr. D. D. Seitz, Mr. and Mrs. C. Shu, Miss E. Shu, Mr. T. M. Wong, Mr. T. C. Wong, Mr. K. Yamada.

N.Y.K. ss. Nagasaki Maru

From Kobe and Nagasaki. Mar. 14. Mr. J. A. Thomson, Mr. Rex. S. Hartley, Mrs. Rose Hartley, Mr. Bernard Covit, Mr. H. V. Parry, Mr. and Mrs. C. L. Miller, Miss E. Winsette, Miss E. Kelsey, Mrs. Ray Justice, Mr. W. H. Whalry, Miss Mitsy, Lane, Miss Eva Alexander, Miss Marjorie Bodt, Mr. D. M. Sinchair, Mr. H. Schneeberger, Miss Lois Hall, Dr. E. Schreiber, Mr. J. M. Zarchine, Mr. Leo. Bard.

I. C. Taksang

From Hongkong. Mar. 15. Mr. H. Ssu Tu, Mr. Johan Lousen, Mr. G. Dralle, Mr. H. Seeger, Mrs. H. L. Lee. From Swatow, Mr. L. Beswick.

OUTWARD

T.S.S. Sarpedon

For London and Wayports.—Mar. 7.—Mr. and Mrs. J. K. Jolly, Mr. and Mrs. Slade-Jones and 2 children, Mrs. C. Slade-Jones, Mrs. B. and Mstr. P. Crowley, Mrs. R. M. Misses M. and K. Chaloner, Miss P. Beatty, Mr. G. P. Hedley, Mrs. A. G., Mstr. and Miss Rasker, Mr. Entwistle, Mrs. P. W. A. and Mstr. John Wilkie, Mr. M. Nakao, Mr. J. C. Walters, Capt. E. G. M. Rushbrooke Mr. S. F. Mead, Mrs. E. Peterson, Miss H. D. Peterson, Mr. P. Ungerer, Mr. and Mrs. D. F. Landale, Mr. H. G. Semper.

C. P. Empress of Canada

For Manila—Mar. 10.—Mr. Joseph C. O. L. Lucy, Miss Mary Fishman, Mrs. O. W. March, Mr. C. V. Eckford, Mrs. C. E. Zobel, Mr. Karl Luring, Mr. M. Sun, Dr. J. M. Fleming, Mr. P. W. Tson, Miss Eileen Parkhill, Mr. P. H. Darrieux, Mr. K. Schindler, Mrs. M. K. Cox, Mr. C. R. Hargreaves, Mr. M. Y. Soon, Mrs. Soon, Mr. H. J. Wallem, Mr. W. P. H. Turner, Miss M. L. Inglehardt, Mr. A. Spicki, Mrs. E. A. Bradford, Mr. J. G. Harvey, Mrs. Nowell, Mr. A. Lacroix, Mr. C. C. Chen, Dr. Gez Szasz, Mr. R. N. Harris, Mr. Bill Painter, Mr. Mansfield Freeman, Mrs. W. F. Newton, Miss E. R. Reese, Mr. and Mrs. W. L. Wainwright, Mr. and Mrs. Y. P. Kan, Mr. K. C. Ramsden, Mr. W. B. Wilson, Mrs. Wilson, Mr. N. K. Lee, Mr. S. P. Pan, Mr. J. J. Evans, Mr. E. M. Evans, Mr. Cheng Wen Jouing, Mr. and Mrs. K. Y. Chung, Miss Y. C. Chung, Mrs. Bella Goltzman, Mr. Dao, Mr. C. Chang, Mrs. C. L. Cloud, Miss Anita Day, Mrs. N. V. Konkoff, Mrs. C. M. Sementovsky, Mrs. J. L. Snadt, Mrs. T. Philassey, Mr. K. S. Chiu, Mrs. Chiu, Mr. Frances E. Nobes, Mr. Louis C. Benkert, Mr. M. Malcolm, Mr. C. S. Chen, Mr. S. Y. Tong, Mr. Chan Way Hen, Mr. Chan Tuk Pui, Mrs. P. Gibbons, Mr. B. M. Yip, Mr. K. M. Liang, Mr. H. C. Ho, Mr. T. C. Chan, Mrs. P. T. Siao, Mrs. Tam, Madame Fung, Miss Ling, Mr. G. P. Ostasevitch, Mr. A. S. Issacs, Mr. R. Xapistinsky, Mr. G. V. Lvoff, Mrs. S. S. Gork, Mrs. H. S. Ho, Mr. H. V. Chu, Mr. H. C. Hao, Mr. T. C. Tong, Mr. E. C. Liu, Mr. J. D. Lee.

R. D. President Hoover

For Kobe.—Mar. 10.—Mr. Albert Cabelli, Mr. and Mrs. K. Kishimoto, Miss M. E. Carpenter, Mr. C. A. Baboud, Miss Elizabeth Lingle, Miss Gladys Nelson, Mr. King E. Koy, Mr. C. K. Chu, Miss W. N. and S. W. Chu, Mr. W. Madsen, Mr. T. Yu, Mr. M. Leung, Mr. W. Leung, Mr. S. Shum, Mr. King Z. Ling.—For Yokohama.—Dr. W. E. O'Hara, Mr. Kastellitz, Mr. Paul Dietz, Mrs. J. G. Gloria, Miss Alicia and Lydia Gloria, Mr. Jose Gloria Jr.—For San Francisco.—Mr. and Mrs. David Ladin, Mr. E. D. Charles, Mr. F. B. Barnes, Mr. J. J. Chaffin, Mr. W. B. Lauder, Mr. R. Bostick, Mr. E. A. Allen, Miss Virginia Atkinson, Lt. Comdr. and Mrs. J. H. Kyger, Miss Kyger, Mr. M. Y. Tang, Dr. Anne W. Fearn, Mr. Harold E. Montamat Mrs. and Mstr. Aaron Brecker, Mr. Aaron Brecker, Mr. Frank Matthay, Mr. Kenneth Parker, Mrs. George W. Jones, Miss A. Bell, Mr. H. Schoepp, Mr. E. Sparles, Mr. and Mrs. C. B. Lee, Miss Peggy Lee Mr. Walter Palmer, Mr. J. E. Fullam, Mrs. J. E. and Miss M. L. Fullam, Miss C. H. Rippen, Comdr. R. P. Luker, Mrs. and Mstr. W. E. Hebel, Miss Nancy J. Hebel, Mr. David Brenner, Lt. Comdr. and Mrs. G. E. Maynard Mr. Kwong Kwang Lim, Miss E. E. Crane, Mr. A. C. Zoll, Mr. Ting Jan Holt, Mr. T. Erikson, Mr. R. E. Harrison, Mr. Julius Rosenfeld, Mr. Kan Ye-nich, Mr. N. H. Dunham, Mrs. Mary Dalton, Miss Diana Marie Dalton, Mr. Chio Santialgo, Mr. O. D. Goldsmith, Mr. Jack Katzenberg, Mr. M. Goldschleg, Mr. S. W. Sherwood, Mr. and Mrs. P. C. Chellazi, Mr. J. Jackson, Jr.—For Los Angeles.—Mrs. Thedosia Shibbeth, Mr. Howard E. Moore, Mr. Z. T. Nyi, Mr. S. Salamy, Mrs. J. J. Tobinski, Mrs. Chas. Coe.

N.Y.K. Shanghai Maru

For Nagasaki and Kobe.—Mar. 10.—Mr. D. K. Shavaksha; Mr. K. M. Kharegat, Mrs. S. J. Murzhan, Dr. H. J. Dadyseth, Mr. B. M. Kashinath, Dr. M. P. Kerawalla, Mr. and Mrs. H. Gazdar, Miss E. A. McGill, Miss M. E. Clark, Mr. and Mrs. J. K. McDonald, Rev. L. Robert, Dr. C. Van Dillewijn, Mr. and Mrs. F. A. Keeble, Mr. Wilcox, Mr. T. A. Ball, Mr. S. H. Mohamed, Chinory, Mr. A. A. de Souza, Miss R. E. Campbell.

C. P. ss. Empress of Asia

For Vancouver.—Mar. 12.—Miss M. Cuddy, Mr. and Mrs. H. Faulkner, Miss D Faulkner, Mrs. D. M. Lindberg, Miss G. A. Locker, Mr. Albert Meillaz, Mr. W. P. Clinton Smith, Mr. and Mrs. A. Tcherefinine, Miss A. H. Weekes.—For Yokohama.—Mrs. S. Heidelbach, Mr. M. P. Marintbal.

R. D. ss. Pres. Cleveland

For Hongkong.—Mar. 13.—Mr. R. G. Geer, Mr. M. Eisen, Mr. Kan Tong Po, Mr. and Mrs. J. R. Moffett, Mr. Shou J. Chen, Mr. K. C. Lee, Mr. J. Shell, Mr. J. E. Horton, Mrs. Lee Tai Ming, Mr. P. C. Chang, Mr. M. Y. Lo, Mr. W. Y. Chen, Mr. Chan Pan, Mr. Kwong Young Sam, Mrs. M. A. Burrell.—For Manila.—Miss M. Shkliarevitch Rafell, Mr. Antonina Leontovich, Mr. Yue Kwei-ching, Mr. William Parker, Mr. M. Noblet, Lt. and Mrs. R. J. Meyer.

P. & O. Carthage

For London via Ports.—Mar. 16.—Mr. W. B. Bryden, Chief Stoker J. W. Carlton, Mr. and Mrs. T. W. Chandler and infant, Mr. and Mrs. F. L. Chapman, Mrs. Cecil Cree, Mr. G. W. Creighton, Mr. and Mrs. Deignan, Mrs. M. Dixon, Mrs. Dorothy Lee, Mr. and Mrs. R. Dunkerley, Mr. W. L. Foggitt, Most Rev. Bishop T. M. Fox, Mr. and Mrs. J. Gibson and 2 children, Mrs. W. R. Gooch, Mrs. W. E. Gooch, Mr. and Mrs. A. W. S. Graeme, Mrs. Adjutant K. Gratton and child, Mr. and Mrs. A. Green and infant, Mr. A. C. Hay, Mr. and Mrs. F. G. Healey, child and infant, Bishop and Mrs. J. Holden, Mr. J. H. Hunter, Mr. and Mrs. W. T. Jenkins, Col. Johnston, Mrs. C. Rene Lee and child, Mr. E. R. Leach, Mrs. S. H. Littell and 2 Mstrs., Mr. and Mrs. T. L. Macartney and child, Mr. and Mrs. K. S. Mackenzie, Mr. J. M. Mackinnon, Mr. M. H. Mahtani, Rev. and Mrs. J. E. Mallis, Mr. and Mrs. B. G. Moorhouse and infant, Mr. W. A. Morrison, Mr. and Mrs. Moxham, Mr. and Mrs. T. S. B. Nicoll, infant and amah, Lady E. M. Ollivant, Mr. and Mrs. A. C. Pearl, Miss O. Pearl, Mr. L. J. Self, Rev. Father John Sexton, Mr. Tan Tong How, Mrs. Toone, Mr. and Mrs. W. F. Tyrer, Mr. E. E. Wallwork, Miss M. J. Walton, Mr. F. H. Waton, Mr. and Mrs. H. V. Wilkinson, Mr. and Mrs. J. J. Wilson, child and infant.—For Hongkong.—Miss M. Adams, Rev. A. M. Alves, Mr. R. H. Ball, Fus. H. Davies, Mr. S. P. Dometz, Miss J. Harris, Mr. C. Kaar, Wing Comdr. H S. Kerby, Mrs. Kerby, Lady M. Knatchbull-Hugesson, Misses Knatchbull-Hugesson, and Governess (Miss Largel), Mr. S. G. Kourdinmoff, Sgt. A. A Middleton, Mr. A. V. Pinson, Mr. A. S. Potter, Mrs. T. G. Rennie, Mr. S. B. E. Seese, Rev. E. Sing Lau, Mr. A. Stevenson, Pte. C. Taylor, R.A.M.C., Mr. H. Tiefenbacher, Miss Wedderburn, Mr. R G. Whieldon, Mr. F. L. Zadorin, Mr. A. P. Zaremba.

BIRTHS

AESCHBACH.—On March 9, 1937, at the Country Hospital, Shanghai, to Mr. and Mrs. A. Aeschbach, a son, ALFRED PAUL.

CHALMERS.—On March 14, 1937, at the Country Hospital, Shanghai, to Mr. and Mrs. Alan Chalmers, a son, ANTHONY ALAN.

DOUGAL.—On March 10, 1937, at the Country Hospital, Shanghai, to Mr. and Mrs. W. T. DOUGAL, a daughter.

EAKES.—On February 28, 1937, at Chilu Hospital, Tsinanfu, to Mr. and Mrs. B. Y. EAKES, a son, B. Y.

HABIBULLAH.—On March 12, 1937, at the Country Hospital, Shanghai, to Mr. and Mrs. H. M. HABIBULLAH, a daughter.

PHILLIPS.—On March 14, 1937, at the Country Hospital, Shanghai, to Mr. and Mrs. D. PHILLIPS, a son.

WARD.—At St. Marie's Hospital, Shanghai, on March 11, 1937, a daughter, ANNE MARIE, to Mr. and Mrs. James Ward.

MARRIAGE

MACKENZIE — GAECHIK-ROMANCHIK.—On March 13, 1937, at H.B.M. Consulate-General, before Sir John Brenan, K.C.M.G., and at Holy Trinity Cathedral, Shanghai, by the Very Rev. Dean Trivett, M.A., D.D., VALENTINA VICTORIA, younger daughter of Mr. and Mrs. Gaechik-Romanchik, to KENNETH STUART, only son of Mr. and Mrs. A. S. Mackenzie.

ENGAGEMENT

LIEBAU—VON KRIEGSTEIN.—Seine Verlobung mit Fraeulein HELLA LIEBAU, juengster Tochter des Ingenieurs und Majors d. Res. a.D. d. Kgl. preuss. Pi. Bat. F.R. Herren Paul Liebau und seiner Frau Gemahlin Gertrud, geb. Freyholdt, beerhrt sich ganz ergebenst anzuzeigen ERNST V. KRIEGSTEIN. Berlin-Charlottenburg 5. Steifensandstr. 2. (Hongkong and Canton papers please copy.)

SICCAWEI METEOROLOGICAL REPORT

Day of month	Barometer 9 A.M.	Barometer Att'ed Therm	Wind Direction a.m.	Wind (1-12)	Hygrometer 9 a.m. Dry	Hygrometer 9 a.m. Wet	Thermometer in Shade Max.	Thermometer in Shade Min.	Weather Conditions
Mar. 5	30.09	70.9	S E	3	52.5	50.0	59.4	43.7	B.
„ 6	29.98	71.8	W N W	2	51.7	52.7	56.3	48.2	B. C.
„ 7	30.17	71.6	N N W	1	43.0	41.4	46.9	41.5	O.
„ 8	30.22	70.0	N	2	45.7	42.8	55.6	41.5	C.
„ 9	30.17	66.0	E S E	2	44.6	41.9	55.6	34.3	O.
„ 10	29.95	69.1	Var.	1	49.6	49.5	52.7	45.7	O.
„ 11	30.33	68.0	N N W	3	42.4	39.6	48.7	37.0	B. C.

EXPLANATION

B—blue sky F—fog H—hail M—misty (hazy) R—rain T—thunder
C—clouds D—drizzle L—lightning O—overcast (dull) S—snow Z—calm

SHANGHAI THERMOMETER READINGS FOR THE WEEK

In the open air in a shaded situation in the Foreign Settlement

Date	Minimum Temperature 1937	Minimum Temperature 1936	Maximum Temperature 1937	Maximum Temperature 1936	Rainfall 1937	Rainfall 1936
Mar. 5	45.0F.	30.5F.	60.5F.	38.0F.	0.06-in.	Nil
„ 6	48.0	28.5	55.5	40.5	Nil	Nil
„ 7	42.0	32.0	48.5	45.0	0.11	Nil
„ 8	43.0	33.0	52.5	50.5	Nil	Nil
„ 9	38.0	31.5	52.5	46.0	Nil	Nil
„ 10	47.0	32.0	51.5	42.5	0.35	Nil
„ 11	38.5	37.0	48.5	44.5	0.35	0.74-in.

DEATHS

ALLAN.—On March 8, 1937, at the Paulun Hospital, Shanghai, HENRIETTA ALLAN, widow of the late Alexander Allan.

BARNES.—On March 13, 1937, at St. Marie Hospital, Shanghai, ERNEST GLAZEBROOK BARNES, aged 47 years, beloved father of Reginald and Cynthia Barnes.

HARRIS.—On March 14, 1937 at London, after a brief illness, PRISCILLA (CISSIE), dearly-loved wife of John Edward Harris and mother of Harold Harris. (By cable.)

HOLROYD.—On March 14, 1937, at Oldham, Lancashire, ALBERT HOLROYD, aged 75 years, father of Mrs. G. B. Stormes. Deeply regretted. (By cable.)

HUNTING.—At Nayland, near Ipswich, England, on March 10, 1937, BASIL M. HUNTING, aged 43 years, ex-Third Officer of the Shanghai Fire Brigade. (By Cable.)

ILEANA.—On Thursday, March 11, 1937, at the Shanghai General Hospital, Mrs. LYDIA ILEANA (Qualified Nurse), aged 37 years.

LIEBSCH.—On Tuesday, March 9, 1937 accidentally, at Henli, GUSTAV LIEBSCH, aged 36 years.

MURRAY.—On March 16, 1937, at the Shanghai General Hospital, ELIZABETH OKATSU, aged 62 years. Widow of the late William Bernard Murray and dearly beloved mother of Tom, William, Robert, Mrs. Hannah Keane, Mrs. Nora McDonald and Mrs. Lily Walker.

TAKAKI.—On Friday, March 12, 1937, at the Shanghai Sanitarium Clinic, JOSEPH FRANCIS KIUSABURO TAKAKI, aged 56 years, formerly of Messrs. G. Finocchiaro and Co.

THOMPSON.—On Thursdays, March 11, 1937, at the Paulun Hospital, MAY CAROLINE, aged 23 years, the dearly-beloved eldest daughter of Mr. and Mrs. J. A. Thompson and sister of Violet, Charles, Geoffrey and Beatty.

WARD.—ON Thursday, March 11, 1937, at St. Marie's Hospital, Shanghai, MARY WARD (née Marie Johanna Botelho), aged 34 years, the dearly-beloved wife of J. Ward. (Hongkong and Macao papers please copy.)

ZIE.—On Tuesday, March 16, 1937, at St. Marie's Hospital, Shanghai, T. S. ZIE (ZIE CHIEL), aged 42 years. Compradore of Messrs. Patten, Mackenzie & Co.

IN MEMORIAM

LEACH.—In cherished and affectionate remembrance of my dearest husband, Captain CHAPMAN LEACH, who died on March 16, 1933. The heart that loved you truly can never forget.

YANISHEVSKY.—In loving memory of our dearest beloved mother, MARY V. YANISHEVSKY, who passed away so suddenly on March 17, 1933.

It is hard to part with one we love,
God's plans are for the best,
Our darling lives in bliss above,
A home of peace and rest.
Sleep Mother dear and take thy rest.

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